

7533. Also, petition of W. C. McCarver and 10 other citizens of Ballinger, Tex., indorsing the bill to pay the remainder due on adjusted-service certificates; to the Committee on Ways and Means.

7534. Also, petition of H. L. Belew and 3 other citizens and 15 business firms of Coleman, Tex., indorsing the bill to pay the remainder due on the adjusted-service certificates; to the Committee on Ways and Means.

7535. Also, petition of American Legion Post, No. 94, and other citizens and business men of Flatonia, Tex., submitted by J. L. Longona, adjutant of said post, urging immediate cash payment in full of the adjusted-service certificates; to the Committee on Ways and Means.

7536. Also, petition of M. W. Miller and 45 other citizens and 9 business firms of Houston, Tex., indorsing the bill to pay the remainder due on the adjusted-service certificates; to the Committee on Ways and Means.

7537. Also, petition of W. F. Isaacks and 19 other citizens and 32 business firms of Childress, Tex., indorsing the bill to pay the remainder due on the adjusted-service certificates; to the Committee on Ways and Means.

7538. Also, petition of J. B. Green and 14 other citizens and 11 business firms of Jacksboro, Tex., indorsing the bill to pay the remainder due on adjusted-service certificates; to the Committee on Ways and Means.

7539. Also, petition of Joe Franklin and 31 other citizens and 14 business firms of Corpus Christi, Tex., indorsing the bill to pay the remainder due on adjusted-service certificates; to the Committee on Ways and Means.

7540. Also, petition of R. A. Baker and 5 other citizens and 10 business firms of Bryson, Tex., indorsing the bill to pay the remainder due on adjusted-service certificates; to the Committee on Ways and Means.

7541. Also, petition of Frank H. Pinard and 83 other members of the Veterans of Foreign Wars and citizens of Meriden, Conn., indorsing the bill to pay the remainder due on adjusted-service certificates; to the Committee on Ways and Means.

7542. Also, petition of 250 members of the General Arthur MacArthur Post, No. 68, and members of the Ladies' Auxiliary of this post of the Veterans of Foreign Wars, of Philadelphia, Pa., indorsing the bill to pay the remainder due on adjusted-service certificates; to the Committee on Ways and Means.

7543. Also, petition of J. D. Tumlinson and seven business firms of Spearman, Tex., indorsing the bill to pay the remainder due on adjusted-service certificates; to the Committee on Ways and Means.

7544. Also, petition of C. C. Crump and 25 other citizens and 8 business firms of De Kalb, Tex., indorsing the bill to pay the remainder due on the adjusted-service certificates; to the Committee on Ways and Means.

7545. Also, petition of L. C. Baker and 24 other citizens of New Boston, Tex., indorsing the bill to pay the remainder due on the adjusted-service certificates; to the Committee on Ways and Means.

7546. Also, petition of Arthur Trudel, commander of the American Legion, Post No. 1617, and 73 other citizens of Derry, N. H., indorsing the bill to pay the remainder due on the adjusted-service certificates; to the Committee on Ways and Means.

7547. By Mr. RUDD: Petition of Reserve Officers Association of the United States, opposing the compromise offer whereby reserve officers may be offered training with their subsistence and transportation paid but without service pay for the period of active duty; to the Committee on Appropriations.

7548. Also, petition of the American Agricultural Chemical Co., New York City, opposing the passage of the Muscle Shoals legislation bill, H. R. 11051; to the Committee on Military Affairs.

7549. Also, petition of New York State Bankers Association, New York City, opposing the passage of the Glass bill, S. 4412; to the Committee on Banking and Currency.

7550. Also, petition of Teachers Insurance and Annuity Association of America, opposing the passage of the McNary bill, S. 768; to the Committee on Agriculture.

7551. Also, petition of Railroad Employees National Pension Association (Inc.), Chicago, Ill., favoring the passage of legislation for full payment of the adjusted-service certificates; to the Committee on Ways and Means.

7552. Also, petition of C. R. Van Etten, 25 Court Street, Brooklyn, N. Y., favoring a pardon for the Massie slayers, and to place the Hawaiian Islands under military or naval control; to the Committee on the Judiciary.

7553. Also, petition of Henry Herbermann, president American Export Lines, New York City, opposing the elimination of appropriations of mail contracts; to the Committee on Appropriations.

7554. Also, petition of Mark Graves, director division of the budget, State of New York, in relation to section 810 of the revenue bill, which provides for the revaluation of estates for purposes of the Federal estate tax with certain suggestions; to the Committee on Ways and Means.

7555. Also, petition of Chamber of Commerce of the Borough of Queens, city of New York, favoring the passage of House bill 8549; to the Committee on Immigration and Naturalization.

7556. Also, petition of Chamber of Commerce of the Borough of Queens, city of New York, favoring balancing the Budget; to the Committee on Appropriations.

7557. Also, petition of Chamber of Commerce of the Borough of Queens, city of New York, favoring the passage of Senate bill 1525; to the Committee on the Judiciary.

7558. Also, petition of Chamber of Commerce of the Borough of Queens, city of New York, favoring the modification of the Volstead Act and the repeal of the eighteenth amendment; to the Committee on the Judiciary.

7559. Also, petition of Chamber of Commerce of the Borough of Queens, city of New York, opposing the passage of House bill 4525, repealing section 7 of the postal act of May 29, 1928; to the Committee on the Post Office and Post Roads.

7560. By Mr. SMITH of West Virginia: Resolution of the C. H. Mead Safety Club, East Gulf, W. Va., opposing the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

7561. Also, resolution of the Mead Smokeless Coal Co. Safety Club, opposing the Davis-Kelly coal bill; to the Committee on Interstate and Foreign Commerce.

7562. By Mr. SUTPHIN: Petition of the Civil Service Association of New Jersey, urging the establishment of a prosperity bond issue for \$5,000,000,000 for public works; to the Committee on Ways and Means.

7563. Also, petition of the Civil Service Association of New Jersey, opposing reduction of salaries of Federal employees; to the Committee on Economy.

7564. Also, petition of the New Jersey Civil Service Association, asking the repeal of the eighteenth amendment; to the Committee on the Judiciary.

SENATE

FRIDAY, MAY 6, 1932

(Legislative day of Wednesday, May 4, 1932)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The VICE PRESIDENT. The Senate will receive a message from the President of the United States.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Sundry messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that the President approved and signed the following acts:

On April 22, 1932:

S. 2682. An act to amend section 5 of the Criminal Code.

On April 25, 1932:

S. 2405. An act to confer jurisdiction on the Court of Claims to hear and determine certain claims of the Eastern or Emigrant and the Western or Old Settler Cherokee Indians against the United States, and for other purposes; and

S. 3086. An act relating to the construction of a Federal building at Ponca City, Okla.

On May 2, 1932:

S. 194. An act for the relief of Jeff Davis Caperton and Lucy Virginia Caperton;

S. 3095. An act for the relief of J. J. Bradshaw and Addie C. Bradshaw; and

S. 3570. An act to amend the act entitled "An act confirming in States and Territories title to land granted by the United States in the aid of common or public schools," approved January 25, 1927.

On May 4, 1932:

S. 3270. An act for the relief of Daniel S. Schaffer Co. (Inc.).

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the House had passed a bill (H. R. 11051) to provide for the leasing and other utilization of the Muscle Shoals properties in the interest of national defense and of agriculture, and for other purposes, in which it requested the concurrence of the Senate.

CALL OF THE ROLL

Mr. FESS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Couzens	Johnson	Shipstead
Bailey	Cutting	Kean	Smith
Bankhead	Dale	Kendrick	Steiwer
Barbour	Davis	Keyes	Stephens
Bingham	Dickinson	King	Thomas, Idaho
Blaine	Dill	Lewis	Thomas, Okla.
Borah	Fess	Logan	Townsend
Bratton	Fletcher	McGill	Trammell
Broussard	Frazier	McKellar	Tydings
Bulkley	George	McNary	Vandenberg
Bulow	Glass	Morrison	Wagner
Byrnes	Glenn	Moses	Walcott
Capper	Gore	Norris	Walsh, Mass.
Caraway	Hale	Nye	Walsh, Mont.
Carey	Harrison	Oddie	Waterman
Cohen	Hastings	Patterson	Watson
Connally	Hawes	Pittman	Wheeler
Coolidge	Hayden	Robinson, Ark.	White
Copeland	Howell	Robinson, Ind.	
Costigan	Hull	Sheppard	

Mr. GLASS. I desire to announce the absence of my colleague the senior Senator from Virginia [Mr. SWANSON], who is in attendance upon the disarmament conference at Geneva.

Mr. FESS. I wish to announce that Senators SMOOT, REED, SHORTRIDGE, LA FOLLETTE, JONES, METCALF, and HATFIELD are detained in committee meeting.

The VICE PRESIDENT. Seventy-eight Senators have answered to their names. A quorum is present.

LAND ON FENWICK ISLAND, SUSSEX COUNTY, DEL.

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 283) to provide for conveyance of a certain strip of land on Fenwick Island, Sussex County, State of Delaware, for roadway purposes, which were, on page 1, line 4, after "convey," to insert "by quitclaim deed," and on page 2, line 17, after "States," to insert "and the deed or instrument of conveyance shall recite the reversionary right herein reserved."

The VICE PRESIDENT. The Chair calls the House action to the attention of the Senator from Delaware [Mr. TOWNSEND].

Mr. TOWNSEND. Mr. President, I move that the Senate concur in the amendments of the House.

The motion was agreed to.

PETITIONS AND MEMORIALS

Mr. TYDINGS presented the memorial of the Baltimore Conference Woman's Missionary Society of the Methodist Episcopal Church South, representing Maryland, Virginia, and West Virginia, remonstrating against the passage of the bill (S. 51) to authorize the building up of the United States Navy to the strength permitted by the Washington and London naval treaties, and favoring the prompt ratification of the World Court protocols, which was referred to the Committee on Foreign Relations.

Mr. WALSH of Massachusetts presented communications in the nature of petitions from 954 citizens of the State of Massachusetts, favoring modification of the Volstead Act and the repeal of the eighteenth amendment of the Constitution, which were referred to the Committee on the Judiciary.

He also presented communications in the nature of memorials from 70 citizens of the State of Massachusetts, remonstrating against the modification of the Volstead Act and the repeal of the eighteenth amendment of the Constitution, which were referred to the Committee on the Judiciary.

He also presented the petition of Massachusetts chapter, No. 1, Eighty-second Division Association, Veterans of the American Expeditionary Forces, Boston, and 58 citizens, in the State of Massachusetts, praying for the immediate payment in full of soldiers' adjusted-compensation certificates (bonus), which was referred to the Committee on Finance.

He also presented letters in the nature of memorials from 50 citizens of the State of Massachusetts, remonstrating against the passage of legislation providing for the cash payment of soldiers' adjusted-compensation certificates (bonus), which were referred to the Committee on Finance.

Mr. SHORTRIDGE presented a petition of sundry citizens, being substitute postal clerks, of Los Angeles, Calif., praying for the passage of legislation giving relief to substitute postal employees, which was referred to the Committee on Post Offices and Post Roads.

He also presented a letter from the Southern California Typographical Conference, signed by Dan O. Fruitt, secretary, of San Bernardino, and numerous letters in the nature of memorials from sundry citizens and organizations, all in the State of California, remonstrating against reductions in the compensation of Federal employees, which were referred to the Committee on Appropriations.

He also presented letters in the nature of memorials from the Bellflower Chamber of Commerce, by Leo S. Cameron, manager; Lindsay Mercantile Co., by C. B. Bowker, manager; Buckmaster Hardware Co. (Inc.), by Guy W. Buckmaster, both of Lindsay; Central Electric Co., of Los Angeles, by Paul S. Perelman, of Los Angeles; Northern Branch Rural Letter Carriers' Association, of Arbuckle, by Amos William World, president, and sundry citizens, all in the State of California, remonstrating against reductions in the compensation of postal employees, which were referred to the Committee on Appropriations.

He also presented letters in the nature of memorials from the Pasadena Realty Board, by M. G. Potts, secretary, and the Dorn-Sykes Co., by H. P. Hammond, both of Pasadena, Calif., remonstrating against the imposition of a stamp tax on real-estate conveyances, which were referred to the Committee on Finance.

He also presented several letters in the nature of memorials from citizens and business firms in the State of California remonstrating against the imposition of a tax upon spectacles, prism binoculars, and field and opera glasses, which were referred to the Committee on Finance.

He also presented several letters in the nature of memorials from citizens and business firms in the State of California, remonstrating against the imposition of a tax on jewelry, which were referred to the Committee on Finance.

He also presented several letters in the nature of memorials from citizens and organizations in the State of California, remonstrating against the imposition of a 10 per cent luxury tax on furs, which were referred to the Committee on Finance.

He also presented a letter from George G. Witter, attorney, of Los Angeles, Calif., relative to the provision for revaluation of estates of decedents in the pending tax bill, which was referred to the Committee on Finance.

He also presented several letters in the nature of memorials from citizens and organizations in the State of California, remonstrating against the imposition of taxes on the automobile industry, which were referred to the Committee on Finance.

He also presented several letters from citizens and organizations in the State of California, remonstrating against the imposition of a tax on the radio industry, which were referred to the Committee on Finance.

He also presented numerous letters in the nature of memorials from citizens and organizations in the State of California, remonstrating against the passage of legislation providing for the payment of adjusted-compensation certificates (bonus) of World War veterans at the present time, which were referred to the Committee on Finance.

He also presented letters from the Madera Sugar Pine Co., by E. H. Cox, its president, of San Francisco, and Arthur H. Fleming, of Pasadena, in the State of California, urging the restoration of section 115 of the revenue act, exempting from taxation distributions of surplus of corporations accumulated prior to March 1, 1913, as it existed in the act of 1928, which were referred to the Committee on Finance.

Mr. GOLDSBOROUGH presented memorials and letters and a telegram in the nature of memorials from sundry citizens and organizations in the State of Maryland, remonstrating against the imposition of taxes on the automobile industry, which were referred to the Committee on Finance.

He also presented several letters in the nature of memorials from citizens of the State of Maryland, remonstrating against increase in the first-class postage rate, which were referred to the Committee on Finance.

He also presented a letter from S. Page Nelson, of the Johns Hopkins University, of Baltimore, and telegrams from the Vagabond Players, signed by Helen Fraser Penniman, vice president, of Baltimore, and the Hagerstown Agricultural and Mechanical Association, by H. E. Bester, its president, of Hagerstown, all in the State of Maryland, remonstrating against the imposition of taxes on admissions to amusements, which were referred to the Committee on Finance.

He also presented letters in the nature of memorials from Irvin M. Schloss, of Baltimore, and Ernest D. Sturmer, of Easton, in the State of Maryland, remonstrating against the imposition of a 10 per cent tax on jewelry, which were referred to the Committee on Finance.

He also presented several letters in the nature of petitions from citizens of Kempton, W. Va., praying for the imposition of an import duty on oil, which were referred to the Committee on Finance.

He also presented numerous letters and telegrams in the nature of petitions from sundry citizens of the State of Maryland, and the California Walnut Growers' Association, of Los Angeles, Calif., favoring inclusion of a general manufacturers' sales tax in the pending revenue bill, which were referred to the Committee on Finance.

He also presented several letters in the nature of memorials from sundry citizens of the State of Maryland, being employees of the Panama Canal, remonstrating against the proposed discontinuance of the Panama Railroad Steamship Line, which were referred to the Committee on Appropriations.

He also presented letters in the nature of memorials from several citizens, and also Local Union No. 92, United Slate, Tile and Composition Roofers, Damp and Waterproof Workers' Association, of Baltimore, all in the State of Maryland, remonstrating against reductions in the compensation of Federal employees, or enforced furloughs, which were referred to the Committee on Appropriations.

Mr. COPELAND presented resolutions adopted by the board of trustees of the Museum of the City of New York

(Inc.), New York, favoring the making of a national shrine of the churchyard of St. Anns Church, located at St. Anns Avenue and One hundred and fortieth Street, Borough of the Bronx, New York City, wherein lie the remains of Gen. Lewis Morris, signer of the Declaration of Independence, and Gouverneur Morris, "whose hand wrote the Constitution of the United States and who was Washington's minister in Paris during the French Revolution, and others who played important parts in the American Revolution" and in the establishment of the Republic, which were referred to the Committee on the Library.

He also presented a resolution adopted by the Bellport and Patchogue Chambers of Commerce, in the State of New York, favoring the immediate expansion of public works so as to aid business and relieve unemployment, which was referred to the Committee on Manufactures.

He also presented a petition of sundry employees of the naval ordnance plant, of Baldwin, Long Island, N. Y., praying that the naval ordnance plant at Baldwin, Long Island, N. Y., be kept open and in operation, which was referred to the Committee on Naval Affairs.

He also presented a resolution adopted by the American Exporters and Importers' Association, of New York City, opposing the passage of legislation which would curtail the outlet of goods to the Philippine Islands, which was referred to the Committee on Commerce.

He also presented resolutions adopted by the New York Tow Boat Exchange (Inc.), of New York City, favoring the passage of House bill 11207, relative to the consolidation and coordination of the Steamboat Inspection Service and the Bureau of Navigation, which were referred to the Committee on Commerce.

He also presented resolutions adopted by the Izaak Walton League of America, protesting against the proposed transfer of United States fish-cultural stations to the States in which such stations are located, etc., which were referred to the Committee on Commerce.

He also presented resolutions adopted by the Queensboro Chamber of Commerce, New York City, favoring revision of the Volstead Act so as to authorize the manufacture and sale, in those States whose laws do not prohibit it, of beverages containing as high a percentage of alcohol as is consistent with the eighteenth amendment of the Constitution, which were referred to the Committee on the Judiciary.

He also presented a petition of sundry citizens of Cazenovia, N. Y., praying for the immediate consideration of measures for the ending of national prohibition, which was referred to the Committee on the Judiciary.

He also presented a petition of sundry citizens of Brooklyn, N. Y., praying for the ending of national prohibition and the levying of taxes on the liquor traffic, which was referred to the Committee on the Judiciary.

He also presented the petition of William H. Hamilton, jr., of Potter, Hamilton & Co. (Inc.), and sundry members of that company, of New York City, N. Y., praying for the levying of taxes on the liquor traffic, which was referred to the Committee on the Judiciary.

He also presented a petition of sundry citizens of Cazenovia, N. Y., praying for the prompt repeal of the eighteenth amendment of the Constitution and the placing of taxes on the liquor traffic, which was referred to the Committee on the Judiciary.

He also presented resolutions adopted by the Eastern Broker Division, Commercial Telegraphers' Union of North America, of New York City, indorsing the parade to be held under the auspices of Hon. James J. Walker, mayor of the city of New York, on the 14th instant, "for the purpose of impressing the Members of Congress with the wisdom and necessity for legalizing the modification of the Volstead Act as a means of aiding in the balancing of the Federal Budget, as well as relieving the unemployment situation," etc., which was referred to the Committee on the Judiciary.

He also presented a resolution adopted by the Civil Service Forum, of New York City, N. Y., protesting against reductions in the compensation of Federal employees, which was referred to the Committee on Appropriations.

He also presented a petition, numerous signed, of sundry citizens of New York City and Long Island, N. Y., praying for the balancing of the Budget, the defeat of the cash bonus proposal, the stopping of all raids on the Treasury, retrenchment in governmental expenditures, the preservation of the national defense, the enactment of fair sales and stamp taxes, the amendment of the Volstead Act, and the taxing of light wines and beer, which was referred to the Committee on Appropriations.

He also presented the petition of W. K. Howe and sundry other citizens of Rochester and vicinity, in the State of New York, praying for economies and retrenchment in governmental expenditures, which was referred to the Committee on Appropriations.

He also presented a resolution adopted by the Bronx County Men's Association (Inc.), of the Bronx, New York, protesting against the taxing of checks, which was referred to the Committee on Finance.

He also presented a memorial of sundry citizens of New York City and Brooklyn, N. Y., remonstrating against the taxing of checks, which was referred to the Committee on Finance.

He also presented a memorial of sundry citizens of Yonkers, N. Y., remonstrating against the imposition of a 10 per cent tax on toilet and tooth preparations, which was referred to the Committee on Finance.

He also presented a resolution of the National Executive Committee of the American Turnbund, Pittsburgh, Pa., favoring the passage of legislation for the adoption of the 6-hour day and the 5-day week, a revision of the existing tax law so as to provide more adequate revenue from incomes of more than \$8,000 annually, etc., which was referred to the Committee on Finance.

He also presented a resolution adopted by the Rochester (N. Y.) Tire Merchants' Association, protesting against the imposition of taxes on the automobile industry, which was referred to the Committee on Finance.

He also presented petitions of sundry citizens of Long Island, N. Y., praying for the imposition of a tax of 2 cents per pound on oils and one-half a cent per pound on meals and scrap imported from foreign countries, which were referred to the Committee on Finance.

He also presented a resolution adopted by Joseph S. Decker Camp, No. 20, United Spanish War Veterans, Department of New York, of Stapleton, Staten Island, N. Y., favoring the proposal that all the able-bodied men of America, rich and poor, veterans, and others, refrain from placing unnecessary financial burdens on the National, State, or municipal governments at the present time, which was referred to the Committee on Finance.

TARIFF ON COPPER

Mr. HAYDEN. Mr. President, I have a very urgent appeal by telegram in the nature of a petition for the imposition of a tariff duty on copper in the pending revenue bill, which I ask the clerk to read.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the clerk will read as requested.

The telegram was read and referred to the Committee on Finance, as follows:

GLOBE, ARIZ., May 5, 1932.

Hon. CARL HAYDEN,

Member United States Senate, Washington, D. C.:

The attached signers of this petition, including civic, service, and fraternal organizations, county and city officials, and business men of the Globe-Miami district, until recently the largest copper-producing district of the world, respectfully ask that you impress on your fellow Members of the United States Senate that failure to retain an adequate import duty on copper in the Budget balancing revenue bill will soon result in the practical extinction of dozens of once prosperous communities, bankruptcy to hundreds of business men, and hunger and starvation to thousands of loyal American men, women, and helpless children. If space permitted the name of every American citizen in the Globe-Miami district would be signed to this petition.

(Signed by Gila County Board of Supervisors, all county and city officials, and 217 citizens of the Globe and Miami copper mining district of Arizona.)

FLOORS IN POST-OFFICE BUILDINGS

Mr. SMITH. Mr. President, I send to the desk and ask to have read by the clerk, so it may appear in the RECORD at this point, a letter which I have received from Miley, S. C.

There being no objection, the letter was read by the legislative clerk, as follows:

MILEY, S. C., May 4, 1932.

Hon. E. D. SMITH,

United States Senator, Washington, D. C.

DEAR SENATOR SMITH: Inclosed find copy of resolution adopted by the Oak Flooring Manufacturers' Association, of which we are a member.

You will note that the specifications for the floors in the United States post-office buildings will restrict bidding to a patented article controlled by one manufacturer exclusively.

I had no idea our Government would use such methods in buying for their various buildings. This on its face looks like something is wrong somewhere and badly wrong. I can hardly conceive of our Government permitting such things to go on. According to my way of seeing it, it permits these people to charge any price they want to charge for this patented flooring.

I am bringing this matter to your attention and hope that you will give it the attention it deserves. We manufacture oak flooring ourselves, and it is very hard on us for such specifications to be put into building plans for buildings for our Government. Please give this matter your attention and greatly oblige

Yours very truly,

W. FRED LIGHTSEY.

Mr. SMITH. Mr. President, I presume the proper parties to take cognizance of this matter are those in the Post Office Department, who have charge of letting the contracts for the buildings, but I thought this would be the best method of bringing it to the attention of my colleagues and of the public. I would like to have printed in the RECORD at this point, and appropriately referred with the letter, the resolution which accompanied the letter, which was just read.

There being no objection, the letter and the accompanying resolution were referred to the Committee on Public Buildings and Grounds, and the resolution was ordered to be printed in the RECORD, as follows:

Resolution adopted April 19, 1932

Whereas the specifications covering the kind of oak floors to be installed in United States post-office buildings will restrict bidding to a patented article controlled by one manufacturer exclusively; and

Whereas several unit-type blocks of recognized dependability are available but excluded from use due to present specifications; and Whereas for years the individual-type oak-block floors have given complete satisfaction and dependable service but are excluded from use due to present specifications; and

Whereas for portions of the buildings the use of equally serviceable items of standardized strip-oak floor will save the Government considerably, but are excluded from the specifications: Therefore be it

Resolved, That the Oak Flooring Manufacturers' Association of the United States, whose membership has included the majority of manufacturers of oak flooring for 25 years, hereby voices its protest against the present specifications because of unnecessary, unjust restriction in the specifications. We declare the specifications as written are not in the interest of public welfare, are unnecessarily burdensome to the taxpayers; and be it further

Resolved, That the members of the Oak Flooring Manufacturers' Association of the United States severally and collectively take immediate action to have the specifications modified to include not only the flooring now specified but in addition thereto other recognized competitive wood floorings. To this end the Oak Flooring Manufacturers' Association of the United States tenders its service through a committee composed of H. E. Everley, W. M. Ritter Lumber Co.; P. B. Lanham, Lanham Hardwood Flooring Co.; W. C. Abendroth, Robbins Flooring Co.; H. L. Gray, Meadow River Lumber Co.; Sam H. Sells, Sells Lumber & Manufacturing Co.; and R. A. Taylor, De Soto Hardwood Flooring Co., to assist in preparing the modified specifications if their services are desired.

OAK FLOORING MANUFACTURERS'

ASSOCIATION OF THE UNITED STATES,

By W. L. COFFEY, Secretary-Treasurer.

[SEAL.]

INVESTIGATION OF STOCK MARKET OPERATIONS

Mr. WHEELER presented a resolution adopted by members of Great Falls (Mont.) Aerie, No. 14, of the Fraternal Order of Eagles, which was referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

Be it resolved by the members of the Great Falls Aerie, No. 14, of the Fraternal Order of Eagles, in regular session convened on the 26th day of April, 1932, at Great Falls, Mont.:

That we do hereby approve, sanction, and support the action of the United States Senate committee in its investigation of the

New York Stock Market operations and particularly the bear movement, and further,

That we do urge our Montana Senators, Congressmen, and the Washington office of the Grand Aerie, Fraternal Order of Eagles, to support, assist, and lend such aid as may be possible in order that the Senate committee may fully investigate and uncover the workings of the stock-market manipulators with the view in mind of the Government thereafter taking such remedial steps as it deems advisable to see that this apparent evil is properly dealt with, that the same may forever be removed as a menace to the continued prosperity and happiness of the people of this country, and further,

That a copy of this resolution be sent to the Hon. THOMAS J. WALSH and the Hon. BURTON K. WHEELER, Montana Senators, and the Hon. SCOTT LEAVITT and the Hon. JOHN M. EVANS, Representatives from the State of Montana, and the Hon. PETER NORBECK, acting chairman of the Senate investigating committee, and also to Washington headquarters of the Grand Aerie of the Fraternal Order of Eagles.

GREAT FALLS AERIE, F. O. E., No. 14,
Great Falls, Mont.

By C. F. HOLT,
LEO C. GRAYBILL,
E. L. SHIELDS,
Committee.

I do hereby certify that the foregoing resolution was duly presented and unanimously passed by the foregoing aerie at the regular meeting stated.

[SEAL.]

WM. BAUER,
Secretary G. F. Aerie, No. 14.

REDUCTION OF FEDERAL SALARIES

Mr. WHEELER also presented a communication from the secretary of the Billings (Mont.) post-office employees, with an accompanying copy of a telegram, which were referred to the Committee on Appropriations and ordered to be printed in the RECORD without the names of individuals to the telegram, as follows:

BILLINGS, MONT., April 28, 1932.

Hon. B. K. WHEELER,
The Senate, Washington, D. C.

DEAR MR. WHEELER: Inclosed find a copy of the telegram sent to Congressman LEAVITT. This telegram was signed by the leading business men of Billings, such as W. E. Waldron, of the Security Bank & Trust Co.; John R. Yates, the Billings Times; W. J. Mulvaney, and many others whom you may know.

The telegram explains itself. The majority of our business men are opposed to the present movement to cut wages for Government employees. If the bill passes, it will hurt business everywhere.

The Billings post-office employees urge you to oppose any reduction in wages or the suspension of any protective laws that would reduce the income of Government workers.

Our present salary is just a bare living. When wages were high in other industries during and right after the war Government employees could not buy homes. It has taken years to catch up with obligations contracted during that period. In recent years many employees have obligated themselves by contracting to buy homes or personal property on the installment plan, expecting that the present salary would not be reduced.

It does not seem possible that our Government would want to deny the Government employees sufficient income to educate their children properly, or reduce the salary to the extent that property yet to be paid for on the installment would be placed in jeopardy.

Our only hope is through our Congressmen and Senators, that this movement shall be defeated.

Very respectfully,

BILLINGS POST OFFICE EMPLOYEES,
By J. H. MAMMEN, Secretary.

BILLINGS, MONT., April 27, 1932.

Hon. SCOTT LEAVITT,
Member of Congress, Washington, D. C.:

We respectfully urge you to oppose any wage cut or suspension of protective laws affecting Federal employees. A cut in the Government pay roll would react to the detriment of increased business and would delay return of better times.

REPORTS OF COMMITTEES

Mr. NYE, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 4549) to authorize conveyance to the United States of certain lands in the State of Arizona for use of the United States in maintaining air-navigation facilities, and for other purposes, reported it without amendment and submitted a report (No. 659) thereon.

Mr. THOMAS of Oklahoma, from the Committee on Indian Affairs, to which was referred the bill (S. 4578) conferring jurisdiction on the Court of Claims to adjudicate the rights of the Otoe and Missouri Tribes of Indians to compensation on a basis of guardian and ward, reported it without amendment and submitted a report (No. 660) thereon.

Mr. REED, from the Committee on Military Affairs, to which was referred the bill (S. 4273) to pay an annuity to Frances Agramonte, the widow of Dr. Aristides Agramonte, member of the Yellow Fever Commission, reported it without amendment and submitted a report (No. 661) thereon.

Mr. SHEPPARD, from the Committee on Military Affairs, to which was referred the bill (S. 2620) to correct the military record of Thomas W. H. Ball, reported it with amendments and submitted a report (No. 662) thereon.

Mr. CUTTING, from the Committee on Military Affairs, to which was referred the bill (S. 850) for the relief of Michael J. Moran, reported it without amendment and submitted a report (No. 663) thereon.

Mr. DICKINSON, from the Committee on Military Affairs, to which was referred the bill (S. 1877) for the relief of Francis N. Dominick, reported it with an amendment and submitted a report (No. 664) thereon.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

Mr. REED, from the Committee on Military Affairs, reported favorably several nominations of officers in the Regular Army.

Mr. ODDIE, from the Committee on Post Offices and Post Roads, reported favorably several nominations of postmasters.

The VICE PRESIDENT. The reports will be placed on the Executive Calendar.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HALE:

A bill (S. 4586) for the relief of Alice Smith Tapley; to the Committee on Claims.

By Mr. FRAZIER:

A bill (S. 4587) for the relief of Lillian Morden; to the Committee on Claims.

By Mr. HASTINGS:

A bill (S. 4588) to prevent the use in markings or advertisements of language relating to certification by the National Bureau of Standards; to the Committee on Commerce.

By Mr. HOWELL:

A bill (S. 4589) to authorize the Secretary of the Interior to make payment of part of the expenses incurred in securing improvements in drainage project of Drainage District No. 1, Richardson County, Nebr., and for other purposes; to the Committee on Indian Affairs.

By Mr. BRATTON:

A bill (S. 4590) for the relief of Juan Apodaca; to the Committee on Military Affairs.

By Mr. WHITE:

A bill (S. 4591) to amend the act of March 2, 1929, conferring jurisdiction upon certain courts of the United States to hear and determine the claim by the owner of the steamship *W. I. Radcliffe* against the United States, and for other purposes; to the Committee on Claims.

By Mr. COSTIGAN:

A bill (S. 4592) to provide for cooperation by the Federal Government with the several States in assisting persons, including veterans of the World War, who are suffering hardship caused by unemployment, and for other purposes; to the Committee on Manufactures.

By Mr. BORAH:

A bill (S. 4593) granting a pension to Arthur L. Wallace (with accompanying papers); to the Committee on Pensions.

By Mr. CONNALLY:

A bill (S. 4594) providing for the temporary reduction of compensation of certain officers and employees of the United States, and for other purposes; to the Committee on Appropriations.

BANKING ACT OF 1932—AMENDMENTS

Mr. GEORGE submitted three amendments intended to be proposed by him to the bill (S. 4412) to provide for the safer and more effective use of the assets of Federal reserve banks and of national banking associations, to regulate interbank

control, to prevent the undue diversion of funds into speculative operations, and for other purposes, which were ordered to lie on the table and to be printed.

AMENDMENTS TO THE LEGISLATIVE APPROPRIATION BILL

Mr. LOGAN submitted amendments intended to be proposed by him to House bill 11267, the legislative appropriation bill, which were referred to the Committee on Appropriations and ordered to be printed, as follows:

Strike out all of sections 403, 404, 406, and 407 and substitute for sections 403 and 404 a new section to be numbered section 403, as follows, the sections of the bill to be renumbered:

"REORGANIZATION, CONSOLIDATION, AND SUSPENSION OF USELESS AND DUPLICATING ACTIVITIES IN THE EXECUTIVE BRANCH OF THE GOVERNMENT"

"SEC. 403. That there is hereby created a committee on reorganization and consolidation of departments and independent establishments in the executive branch of the Government of the United States of America, herein and hereafter referred to as the committee, the membership of which, by virtue of their respective offices, shall be the President of the United States, the Speaker of the House of Representatives, the minority leader of the Senate, the Comptroller General of the United States, and the Director of the Bureau of the Budget. It shall be the duty of the committee to make such reorganizations and consolidations in the departments and independent establishments of the executive branch of the Government as a majority of the committee may deem necessary or expedient. It shall be the duty of the committee, and power is hereby conferred upon it so to do, to suspend, until the law shall otherwise direct, any useless, duplication, and/or unnecessary activities, in the judgment or discretion of the committee, now authorized by law, but nothing herein shall authorize any transfers or consolidations or diminution of the jurisdiction of the Interstate Commerce Commission, the General Accounting Office, the Federal Trade Commission, or the Federal Farm Board as now established by law. Nothing herein shall be construed to mean that the committee may not transfer to these four independent establishments, or any one or more of them, functions of existing agencies of the executive branch of the Government. The committee shall report in detail to the Seventy-second Congress not later than December 15, 1932, the reorganizations and consolidations effected by it, and the activities suspended under authority herein conferred and the savings to the Government as the result thereof. The Congress reserves the right to disapprove by law whatever the committee may do under authority herein conferred."

Strike out all of sections 501 to 506, inclusive, and insert in lieu thereof the following, renumbering the sections:

"SEC. 501. That there is hereby established at the seat of government an establishment to be designated as the 'Administration of Public Works' and the chief officer thereof shall have the official designation 'Administrator of Public Works.' The Administrator of Public Works shall be appointed by the President, by and with the advice and consent of the Senate, and shall hold office for 15 years. He shall be removed from office for inefficiency, neglect of duty, malfeasance in office, but for no other cause, and the President shall communicate in writing to the Senate and House of Representatives in Congress assembled the fact of the removal of any Administrator of Public Works, together with the reasons for the removal. The said Administrator of Public Works shall receive a salary of \$12,000 per annum, payable monthly."

"SEC. 502. That there shall be established in the Administration of Public Works, subject to the control of the Administrator of Public Works, the following divisions:

- "(a) Division of administration and technical services under a director of administration and technical services.
- "(b) Division of architecture and public buildings under a director of architecture and public buildings.
- "(c) Division of public roads under a director of public roads.
- "(d) Division of reclamation under a director of reclamation.
- "(e) Division of national parks and forests under a director of national parks and forests.

"(f) Division of Federal employment stabilization under a director of employment stabilization. The functions, organization, and administration of this division shall be as provided for in Public Act No. 616, Seventy-first Congress, and cited as the 'employment stabilization act of 1931.'

"SEC. 503. That there shall be six directors, appointed by the Administrator of Public Works with the advice and consent of the President, each of whom, respectively, shall be specially qualified by training and experience to administer the affairs of the technical division to which he may be assigned and to evaluate the technical principles and operations involved in the work thereof. Each of the six directors shall be removed from office for inefficiency, neglect of duty, malfeasance in office, but for no other cause, except that they may be removed when they shall have reached the age of 70 years. The directors shall perform such duties as may be assigned to them, respectively, by the Administrator of Public Works. In event of absence of the administrator, for whatever cause, the senior director on duty shall be acting administrator. If any director is appointed from the civil service he shall not lose his civil-service status for retirement purposes, and deduction from his pay shall be made as now provided by law. The salary of each of the six directors shall not exceed \$9,000 per annum, payable monthly."

"SEC. 504. Except as otherwise provided in this act, the Administrator of Public Works shall perform his duties under the direction of the President and shall have exclusive jurisdiction over the design, construction, maintenance, operation, and repair of all public buildings and public works under the control of the United States, including railroads, highways, roads, bridges, telephone and telegraph lines, buildings, monuments, memorials, parks and grounds, irrigation and drainage systems, water-supply systems, dams, canals, river and harbor improvements, and all other public works which require engineering or architectural skill in their execution, and all scientific, architectural, and engineering instrumentalities essential to such design and construction as hereinafter provided or may be authorized by law: *Provided*, That the specifications for all such public buildings and public works shall be in such terms as to permit full and free competition by all qualified and competent bidders, and that no contract shall be let within seven days after the bids therefor are opened nor while a protest with respect to the specifications and/or any bid is pending undetermined before the Comptroller General of the United States: *And provided further*, That the terms of this act shall not be construed to authorize any transfer, consolidation, coordination, or change in the duties and responsibilities of the Chief of Engineers or of officers of the Engineer Corps of the Army or of the Chief of the Bureau of Yards and Docks of the Navy Department or of officers and engineers therein, all of which shall remain as now provided for by existing law. All strictly military, naval, and national-defense construction, improvement, maintenance, and administration shall be and remain in the Army and Navy under the Secretary of War and under the Secretary of the Navy, as now provided by existing law."

"SEC. 505. That all unexpended appropriations which shall be available when this act takes effect for the various bureaus, offices, and branches of the public service which are by this act transferred to or included in the Administration of Public Works, or which are abolished by this act and their authority, power, and duties transferred to the Administrator of Public Works, shall be transferred on the books of the United States Treasury to a fund to be known as the public-works fund, for expenditure in and by the Administrator of Public Works for the purposes for which appropriated, and shall be treated the same as if said branches of the public service had been directly named in the laws making said appropriations as parts of the Administration of Public Works. All appropriations hereafter made for the payment of the cost of design, construction, operation, maintenance, and/or repair of any public work for the use of any executive department or any independent establishment other than for the Administration of Public Works and for the War or Navy Departments shall be transferred on the books of the Treasury to the public-works fund, to be expended by the Administrator of Public Works for the purposes for which appropriated and in behalf of the said executive department or independent establishment, and said administrator shall charge the cost of such public works to said fund in the proportion that the appropriations for such works were made for the several executive departments and/or independent establishments concerned: *Provided*, That hereafter estimates for appropriations for the construction and/or repair of any public buildings or for any public work other than for the War or Navy Departments shall be submitted by the Administrator of Public Works in accordance with the Budget and accounting act of 1921, with a detailed statement of the reasons for the appropriations requested."

"SEC. 506. That the Administration of Public Works shall have the control of and the allotment of all space in the several public buildings owned, or buildings leased by, the United States in the District of Columbia, with the exception of the Executive Mansion and Office of the President, the Capitol Building, the Senate and House Office Buildings, the buildings under the jurisdiction of the Regents of the Smithsonian Institution, and the Congressional Library Buildings, and the building for the Supreme Court of the United States, and shall from time to time assign and allot, for the use of the several activities of the Government, all such space. The Administrator of Public Works shall, in his annual report to Congress, give a detailed account of the buildings and space occupied by the various offices, establishments, and services of the Government in the District of Columbia, setting forth among other things the number of square feet of space occupied by each such office, establishment, and service, whether the quarters provided are the property of the Government or are rented, the amount of rental paid, the persons, firms, or corporations to whom paid, and the number of square feet of office space per employee in each office, establishment, and service."

"SEC. 507. (a) That the following-named bureaus, offices, and branches of the public service now and heretofore under the jurisdiction of the Department of the Interior, and all that pertains to the same, known as the Reclamation Service and the National Park Service, are hereby transferred from the Interior Department to the Administration of Public Works."

"(b) That the Office of the Supervising Architect of the Treasury, and all that pertains to the same, heretofore under the jurisdiction of the Department of the Treasury, are hereby transferred to the Administration of Public Works."

"(c) That the following-named bureaus and services now and heretofore under the jurisdiction of the Department of Agriculture, and all that pertains to the same, known as the Bureau of Public Roads and the Forest Service, except the agricultural functions of the Forest Service, are hereby transferred from the Department of Agriculture to the Administration of Public Works."

"(d) That the Office of Public Buildings and Public Parks of the National Capital, and all that pertains to the same, is hereby placed under the jurisdiction and made part of the Administration of Public Works.

"(e) That the commission created under section 22 of the act approved March 4, 1913, entitled 'An act to increase the limit of cost of certain public buildings; to authorize the enlargement, extension, remodeling, or improvement of certain public buildings; to authorize the erection and completion of public buildings; to authorize the purchase of sites for public buildings, and for other purposes,' known as the Rock Creek and Potomac Parkway Commission, is hereby abolished, and the authority, powers, and duties conferred and imposed by law upon said commission shall be held, exercised, and performed by the Administrator of Public Works.

"(f) That the Commission of Fine Arts, and all that pertains to the same, is hereby placed under the jurisdiction of the Administration of Public Works, and all reports and recommendations of said commission shall be submitted to the Administrator of Public Works for approval.

"(g) That the functions now exercised by the municipal architect of the District of Columbia are hereby transferred to the Administration of Public Works.

"Sec. 508. That the official records, books, and papers now on file in and pertaining exclusively to the business of any bureau, office, or branch of the public service which is transferred by this act to the Administration of Public Works, or which is abolished by this act and its authority, powers, and duties transferred to the Administration of Public Works, together with the furniture, equipment, and other property now in use in said bureau, office, or branch of the public service, are hereby transferred to the Administration of Public Works. The officers, clerks, and employees now employed in or under the jurisdiction of any bureau, office, or branch of the public service which is by this act transferred to or included in the Administration of Public Works, or which is abolished by this act and its authority, powers, and duties transferred to said administration are each and all hereby transferred to said administration at their present grades and salaries.

"Sec. 509. That until other suitable quarters are provided, the Administration of Public Works may occupy any buildings and premises now occupied by any bureau, office, or branch of the public service which is by this act transferred to or included in the Administration of Public Works, or which is abolished by this act and its authority, powers, and duties transferred to said administration.

"Sec. 510. That all laws prescribing the work and defining the duties of the several bureaus, offices, and branches of the public service which are by this act transferred to the Administration of Public Works, or which are abolished by this act and their authority, powers, and duties transferred to said administration, shall, so far as the same are not in conflict with the provisions of this act, remain in full force and effect until otherwise provided by law. All authority, powers, and duties now held, exercised, and performed by the head of any executive department in and over any bureau, office, officer, commission, or branch of the public service which is by this act transferred to the Administration of Public Works, or which is abolished by this act and its authority, powers, and duties transferred to said administration, or in and over any business arising therefrom or pertaining thereto, or in relation to the duties performed by and authority conferred by law upon such bureau, office, officer, or branch of the public service, whether of an appellate or revisory character or otherwise, shall hereafter be vested in and exercised and performed by the Administrator of Public Works; *Provided*, That nothing in this act shall be construed to affect the jurisdiction, duties, or authority of the Comptroller General of the United States.

"Sec. 511. That the Administration of Public Works shall have jurisdiction over the design, construction, maintenance, operation, and repair of all governmental buildings and facilities hereby transferred to the Administration of Public Works and of all of those now under or which may hereafter be placed under the authority of any executive department, independent establishment, commission, or any other governmental agency, except those of the War and Navy Departments and except as otherwise specifically provided: *Provided*, That the Administration of Public Works shall design and construct the buildings and other facilities in conformity with the requirements and desires of those authorities which the Administration of Public Works may be serving unless the President shall otherwise direct.

"Sec. 512. That the Administrator of Public Works shall make annually at the close of each fiscal year a report in writing to Congress, giving an account of all moneys received and disbursed by him and the Administration of Public Works, describing in detail the work done by the Administration of Public Works and making such recommendations as he shall deem necessary for the effective performance of the duties and purposes of the same. He shall also make from time to time such special reports as may be required of him by the President or either House of Congress, or any committee thereof, or as he himself may deem necessary and desirable.

"Sec. 513. The Civil Service Commission shall establish an eligible register for engineers, architects, and other similar employees for the Administration of Public Works, and the examination of applicants for entrance upon such register shall be based upon questions approved by the Administrator of Public Works.

"Sec. 514. That all acts or parts of acts inconsistent with the terms of this act are hereby repealed, and the Administration

of Public Works is authorized to perform any and all such acts and to make such rules and regulations in accordance with law as may be necessary and proper for the purpose of carrying the provisions of this act into full force and effect.

"Sec. 515. That all advertisements or specifications for any contract on behalf of the United States shall clearly describe the needs of the Government in such terms as to permit of full and free competition on such needs. All bids shall be publicly opened at the time and place stated in the advertisement and award made with reasonable promptness after an elapse of seven days, not counting Sundays and national holidays, unless a public emergency will not permit of such delay, by written notice to the lowest responsible bidder whose bid conforms to the specifications. Except in case of a public emergency so requiring immediate action no award shall be made while a protest filed in writing with the officer named in the advertisement for receipt of bids, challenging the legality or regularity of the administrative procedure or any bid is undetermined by the Comptroller General of the United States, who shall give such matters preferred attention. The term 'lowest responsible bidder' for the purposes of this section shall mean in the case of construction work only those bidders who have shown before the bids are opened that they are possessed of financial resources, equipment, and comparable experience in the same and/or similar classes of work as reasonably to justify the conclusion that they are qualified to perform in a prompt and workmanlike manner the construction work described in the advertised specifications, and the term 'lowest responsible bidder' in the case of supplies shall mean only those bidders who have shown before the bids are opened that they are manufacturers or regular dealers in the supplies described in the advertised specifications."

Strike out all of sections 605 to 608, inclusive, and substitute the following, the sections of the bill to be renumbered:

"Sec. 605. That there is hereby created an establishment in the executive branch of the Government to be known as the Civil Service Administration to which are hereby transferred all of the duties, powers, jurisdiction, appropriations, employees having a civil-service status, and at their present grades and salaries, property, files, and records of the Civil Service Commission, Employees' Compensation Commission, Personnel Classification Board, and the administration of the civil retirement laws now vested in the Veterans' Administration, to the same extent as though the civil service administration had been named in the laws creating and defining their duties, powers, and jurisdiction. The Civil Service Commission, the Employees' Compensation Commission, and the Personnel Classification Board are hereby abolished. The administration may adopt a seal.

"Sec. 606. All orders, rules, and regulations legally issued by the activities hereby consolidated shall continue in effect to the same extent as if the consolidation had not occurred until modified, superseded, or withdrawn by authority of the administration.

"Sec. 607. There shall be at the head of the civil service administration an administrator, who shall be appointed by the President, by and with the advice and consent of the Senate, for a term of six years, whose salary shall be \$10,000 per annum. Employees of the administration shall perform such duties as may be assigned to them by the administrator and all official acts performed by such employees specially designated therefor by the administrator shall have the same force and effect as though performed by the administrator in person. The administrator may make such rules and regulations, not inconsistent with law, as may be necessary for carrying on the work of the administration.

"Sec. 608. Under the direction of the President the administrator shall by orders or regulations not inconsistent with law and from time to time, redistribute or otherwise coordinate within the administration the functions and activities hereby consolidated and with a view to economy and better administration.

"Sec. 608a. That there is hereby created within the administration a board of review consisting of three members to be appointed by the President, by and with the advice and consent of the Senate, not more than two of whom shall be of the same political party and one of whom shall be a woman, and who shall receive a salary of \$9,000 per annum. The first members of the board shall hold office as designated by the President in their appointments for 2, 4, and 6 years, respectively, and their successors shall be appointed for terms of 6 years. One of the members of the board, to be designated by the President, shall be its chairman. The board shall hear and determine appeals from all orders or decisions made by or for the administrator concerning any question as to (1) allocation or reallocation of employees under the classification laws; (2) benefits under the Federal employees compensation laws; (3) benefits under the civil retirement law; and (4) the application and enforcement of the civil service laws, except matters of internal administration in the control of its duties of employees of the civil service administration. The board shall issue rules or regulations to govern the procedure in prosecuting appeals and its decisions shall be binding upon the administrator and shall be published. Decisions by the board shall be effective from and after the date of issuance."

HOUSE BILL REFERRED

The bill (H. R. 11051) to provide for the leasing and other utilization of the Muscle Shoals properties in the interest of national defense and of agriculture, and for other

purposes, was read twice by its title and referred to the Committee on Agriculture and Forestry.

THE WORLD COURT—ARTICLE BY JOSEPH IRWIN FRANCE

Mr. NYE. Mr. President, I ask unanimous consent to have printed in the RECORD an article relative to the World Court, written by Joseph Irwin France, and appearing in the April 24 issue of the Washington Herald.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ROOT FORMULA MEANS "BACKDOOR ENTRANCE" TO LEAGUE COURT, WARNS EX-SENATOR FRANCE—VAGUE CLAUSES MASK PURPOSE TO INVOLVE UNITED STATES IN EUROPE'S POLITICS, HE ASSERTS

By Joseph Irwin France, former United States Senator from Maryland and now a candidate for President

Although the American people, every time they have had the opportunity, have spoken in unequivocal language against joining the League of Nations or having anything to do with its affairs—a judgment that has been vindicated by world events, notably and recently the league fiasco in the Sino-Japanese crisis—persistent efforts are still being made to drag the United States into the league.

Some of these efforts are inspired by the visionaries and idealists among our own citizens, who sincerely believe that civilization has progressed to the point where the different races, creeds, nationalities, and other conflicting forces of mankind can be permanently and peacefully composed through a fraternity of nations.

But most of them have been inspired by the internationalists, both here and abroad, who are selfishly seeking their own aggrandizement or that of the interests they serve.

Craftily they have stoked the fires of idealism in this country while exercising directly their own tremendous influence in the affairs of our Government, until powerful pressure is now being exerted on the Senate for the ratification of the revised protocol providing for the entrance of the United States to the Permanent Court of International Justice, more familiarly known as the World Court. Actually it is the league court.

So great is the influence and power of this group that it is virtually forcing the consideration of the court on the Senate at a time when a host of vital domestic problems, growing out of the economic and social disturbances that are shaking the country, are clamoring for its undivided attention.

CHICANE—HIGH OFFICIALS CONNIVING IN DECEPTION

The movement for ratification of the protocol now before the Foreign Relations Committee of the Senate would make the United States a member of the league court under the terms of the so-called Root formula. Actually it is another step in the plan to put this country into the league through its back door, a scheme conceived by the internationalists when the American people spoke so unmistakably against joining the league.

The whole history of this movement is an amazing record of chicanery and deception in which some of our highest public officials have connived. These officials have constantly endeavored to fool the American people as to the purposes and functions of the league court and the auspices under which it operates. Part and parcel of this sinister campaign was the propaganda artfully contrived to create the impression that the court had no connection whatever with the league. This same powerful propaganda machine has now been set in motion to convince the American people that the United States will sacrifice none of its rights by joining the court under the Root formula.

Such propaganda is an affront to the intelligence of America. The myth that the court is an independent tribunal, having no direct affiliation with the league, was quickly exploded. But should a vestige of doubt be entertained by anyone on this score, permit me to quote a passage from the book *Disarmament*, written by Prof. Salvador de Madariaga, of Spain, a renowned scholar and historian, an official of the league, an authority on its affairs, and the Republic of Spain's first ambassador to the United States. In his book Doctor Madariaga states:

"The court is a league court. It is the league court; and when the United States joins it, she should be fully aware of the fact that she is joining the judiciary of the League of Nations."

As to whether or not the United States will surrender part of its sovereignty in joining the court by adoption of the Root formula, the international propagandists are on firmer though debatable ground. Their claim that it will not can not be successfully challenged, for the simple reason that no one knows exactly what this strange formula means.

In the traditional American spirit of assisting any honest movement for world peace the Senate in 1926 consented to the United States becoming a member of the World Court. But warily and wisely it wrote into its resolution of ratification five reservations designed to protect this country from incurring any obligations assumed by the court under the covenant of the league creating it. They were also aimed to prevent the league from meddling in the affairs of the court in any question in which we had an interest.

RESERVATIONS—DISAPPROVAL BY EUROPE WAS FORESEEN

Most important was reservation 5, which is now the pivotal point around which the whole issue of America's entry revolves. It read:

"That the court shall not render any advisory opinion, except publicly after due notice to all states adhering to the court and

to all interested states and after public hearing given to any state concerned; nor shall it, without the consent of the United States, entertain any request for an advisory opinion touching any dispute or question in which the United States has or claims an interest."

There is no mistaking the language of this reservation. Its purpose was to prevent American interests from being swept into the maelstrom of European politics.

Equally clear was the fact that this condition would not be acceptable to the nations which were members of the court and which, the Senate provided, must approve it before the United States entered the tribunal. Nor was it.

The action of the Senate did not dismay the internationalists. Agitation was begun for the revision of this reservation. Answering this agitation, President Coolidge in November, 1926, declared in effect that the other nations could take it or leave it.

The impasse lasted until November, 1928, shortly after the election of President Hoover, when President Coolidge reopened the matter. He announced to Senate and other leaders at one of his famous White House breakfasts that he intended to ask the nations composing the court to formulate some plan which would meet their objections to reservation 5 and permit the United States to come into the court.

Events moved swiftly after that. Elihu Root, perhaps the country's outstanding advocate of the league and the court, appeared in the picture. In February he was in Washington conferring with officials of the new administration and with Senate leaders.

A few days later Mr. Root was en route to Geneva, while Secretary of State Kellogg addressed an identic note to the member nations of the court, urging them to formulate a substitute for the obnoxious fifth reservation.

Thus the stage was set for Mr. Root's trip to Geneva, where a few days after his arrival he magically produced his now famous and lugubrious formula.

Events revealed that the league and the members of its court had advance knowledge of Mr. Root's plan. Because a few days later the jurists' committee met and approved it. It also was apparent that Mr. Root took with him to Geneva assurances from the American Government that his formula would be acceptable to it.

What an amazing piece of international craftsmanship the Root formula is. Its language is so obscured by ponderous phrases that no two persons have been able to agree on its meaning.

Its sponsors insist that it accomplishes the same thing as reservation 5, for which it is proposed to substitute, but in terms to which other nations do not object.

Its critics are equally insistent that it amounts to a complete abrogation of the American rights and sovereignty which the Senate sought to protect in its reservation.

In the welter of futile discussion that the Root formula has caused, one simple question has been lost. That is:

If this precious formula simply protects American rights and interests as adequately as reservation 5, why substitute it? Certainly nothing but disaster can result in replacing a reservation whose meaning is clear by a phrase-laden utterance that no one can understand.

That is the essence of the issue the Senate must decide in acting on the new league-court protocol. That it will reject this new nostrum, mixed in the crucible of internationalism, there appears to be scant doubt.

The impotency of the league was demonstrated in the recent Sino-Japanese crisis. Likewise, the failure of the court has been manifested in the last twelvemonth.

Far from being the great superjudicial tribunal uncontaminated by the jealousies, hatreds, and politics of nations, as it is glowingly pictured by its friends, it was cruelly exposed as tarred with international politics in the first important opinion it handed down in the dispute over the proposed Austro-German Customs Union.

When Germany and Austria published the terms of this union, which provided that no import or export duty was to be levied on commodity traffic between the two countries, formal protests were lodged by France, Italy, and Czechoslovakia.

Great Britain proposed that the agreement be suspended pending investigation by the council of the League of Nations. Germany replied that a league investigation of the political aspect of the union was "wholly inadmissible," and that she would not consent to discussing the pact as a "breach of peace," but that she had no objection to discussing the legal phases of it.

Here then was an opportunity to test the ability of the league's court to decide a vexed international question on purely legal grounds without relation to political considerations.

The question was put up to the League of Nations. The league council asked the league court for an advisory opinion as to whether: 1. The Austro-German pact was in violation of the treaty of Saint-Germain, by which peace with Austria was concluded in 1919.

2. Whether the proposed customs union was in violation of the protocol signed at Geneva on October 4, 1922, in which Austria agreed to maintain its independence of other states in return for assurances given by other nations signatory to this document.

When the league court published its opinion, 8 of the 15 judges held the Austro-German pact incompatible with the Geneva protocol. Seven held the contrary view. Six of the fifteen judges found that it would violate the treaty of Saint-Germain.

The eight judges who signed the majority opinion against Austria and Germany came from France, Poland, Rumania, Italy, Spain, Colombia, Cuba, and Salvador.

The judges who held that in making the customs union with Germany, Austria was within her rights were Frank B. Kellogg, former Secretary of State of the United States, and the judges representing Great Britain, Germany, Holland, China, and Japan. France greeted this decision, in which she and her satellites were the preponderant power, with enthusiasm. Germany accepted it with disgust.

Austria sarcastically pointed out that the votes of inconspicuous nations had triumphed over gentlemen from seven of the greatest nations in the world.

More light was subsequently thrown on the political aspects of the decision by the revelation that practically all of the European countries siding with the French view were heavy borrowers from the French Treasury.

Thus the French bloc in the court determined the decision.

This decision was a revelation to Americans, especially to those half convinced that we had nothing to fear from participating in a European-controlled political supergovernment. It showed that draping a judicial robe over a man's shoulders can not take away his nationalism.

Thus the League Court itself did more to reveal its true character than all the arguments made by American opponents of the court have accomplished in a decade.

LEADERSHIP OF THE PRESIDENT

Mr. FESS. Mr. President, I ask unanimous consent to insert in the RECORD two editorials, one appearing this morning in the Baltimore Sun, entitled "The Truth," and the other in the New York Times this morning, entitled "Leadership in Washington."

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

THE TRUTH

Congress deserves what it has been given. It asked for all that it has been given. Mr. Hoover's message is an unanswerable indictment. Bitter and savage as it is, in substance it is no more than a summary of the proceedings of Congress in the last two months, more particularly in the last month. Any bare recital of those proceedings would inevitably give forth the bitter and savage tone of this presidential message.

For Congress has flagrantly and disgracefully deserted its own standards. When it convened in December the leaders of both parties and the great body of the Members, irrespective of party, pledged themselves to orthodox finance. There is a case to be made, of course, for a policy of spending, of borrowing, and of avowed and far-reaching inflation. It is made by some men of ability; but not in Congress. That body has proclaimed, with emphasis equal to any of which the President has been capable, that it believed the safety of the Nation lay in stopping the borrowing of the past two years, in balancing the Budget, and to that end, in levying severe new taxes and effecting severe economies. Even in the midst of the tumultuous rejection of the tax bill reported by the Ways and Means Committee, members of both parties, of all groups, pledged themselves in a kind of revival meeting to a balanced Budget. Mr. LA GUARDIA, the leader of the insurgents, was no less vehement than Speaker GARNER. And yet the plain, stark fact is that Congress has missed no opportunity to disembowel the policy of orthodox finance.

No need here to state the specifications of its destructive work. That is done admirably in Mr. Hoover's message. And all intelligent people are aware of the details. It is enough to say to Congress that informed voters know that the indictment is true. It is enough to say that Mr. Hoover, with all of his vacillations of the past, all of his feverish spending, all of his dodging of new taxes, all of his borrowing, is entitled to say that in the record of the past month he stands forth as a figure of consistency and stability in contrast with a Congress destitute of purpose and of will.

LEADERSHIP IN WASHINGTON

A Democratic Senator, Mr. HARRISON, calls upon the President to bring order out of chaos. The Budget is not balanced. Tax plans have gone astray. "If ever there was a time," he says, "when the President ought to speak out to his leaders in Congress, it is now." But the President has been speaking out to his leaders, and appealing to his adversaries, vigorously and consistently since Congress convened five months ago. On the importance of Federal retrenchment and the necessity of balancing the Budget he has spoken in no less than 21 messages, statements, and addresses; 4 in December, 2 in January, 3 in February, 4 in March, and 8 last month. Responsibility for the chaos which now exists in Washington rests upon those Members of Congress who have blocked the President at every turn and bolted their own party leadership.

The first act was the decision of the House of Representatives to destroy a tax bill which would have brought the Government's revenues during the next fiscal year within \$145,000,000 of its estimated expenditures, leaving only the latter sum to be saved through various economies. The mainstay of this bill, the plan for a manufacturers' sales tax, was beaten by a coalition of insurgents of both parties. A substitute measure was adopted, falling so far short of the desired goal that the amount required to be saved through economies was increased from \$145,000,000 to \$244,000,000.

At this point the President proposed a plan, worked out in every detail, which aimed to reduce Federal expenditures by more than \$225,000,000, and possibly by \$250,000,000. The House proceeded to play ducks and drakes with this program, refusing to adopt the President's recommendations regarding Federal salaries, rejecting his proposal of a temporary suspension of half-holidays and other privileges, and cutting out of the bill entirely a plan to save \$48,000,000 by drawing a sharper line in veterans' relief between disabilities resulting from war service and those postdating the war and in no way connected with it. In the end a patchwork measure was adopted which promises to yield a bare \$30,000,000 in savings instead of the \$244,000,000 still required. This measure is now before the Senate, where the Finance Committee is changing its mind from day to day on the question of whether to turn a tax bill into a protective tariff.

It is not hard to account for the timidity and evasion which Congress has exhibited up to this point. Taxes are never popular. Economies are distasteful to the well-organized minorities which are always seeking favors. But it is clear that we have reached a point where only determined, bipartisan leadership in the Senate can end the present confusion and restore confidence by presenting the country with a balanced Budget. A great political opportunity, as well as a chance to do a public service, awaits those Members who are bold enough to lead the way to a vindication of the principle that the wishes of special "blobs" must be subordinated to the interests of the Nation.

AMENDMENT OF ANTITRUST LAWS

Mr. WALSH of Massachusetts. Mr. President, I ask to have printed in the RECORD an editorial appearing in the Washington Herald on May 5, 1932, entitled "The Way Out." This editorial approves of Senate bill 3256, which is a bill to modify the antitrust laws.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE WAY OUT—IV. MODERNIZE ANTITRUST LAWS

By Merrylye Stanley Rukeyser

The social futility of a mere negative attitude toward organized business, in which government wields a policeman's club, is amply demonstrated in the present state of stagnation of industry and commerce.

The old-fashioned panacea of unbridled competition has not assured an equilibrium in which labor is fully employed at high real wages.

Widespread malnutrition amidst surpluses constitutes an indictment against economic management in the large.

To some extent, Government bears a responsibility, for the antiquated antitrust laws still stigmatize efforts toward rational co-operation among business competitors as criminal acts.

The effect is to put a premium on anarchy in business.

The time has come for the American people to envisage business in new terms as a mechanism for enabling large groups, such as factory workers, to exchange the products of their hours of labor with the results of the efforts of other productive groups, such as the farmers.

Functional efficiency under modern complex conditions of mass production and the use of high-tensioned power depends on delicately adjusted social engineering.

To the extent that the rough-and-tumble Sherman Act, conceived in the spirit of 1890, when business organization was more primitive, upsets balance, Federal legislation for regulating business should be thoroughly revamped.

The new goal should be to create an economic equilibrium, on which full-time employment of labor necessarily depends.

Instead of the existing arbitrary principle of law, forbidding business acts in restraint of trade, modern thinkers have proposed the substitute doctrine of making the test of the propriety of business contracts whether they are in the public interest.

The older restraint-of-trade doctrine has sometimes been literally interpreted to sanction antisocial acts such as wastage of oil and other precious natural resources.

Senator DAVID I. WALSH, of Massachusetts, in Senate bill 3256 has translated into proposed law the newer thinking about modes of modernizing the antitrust laws. Instead of acting in the punitive spirit, the Senator has described his proposed measure as law "to protect and foster trade and commerce."

The technique is to leave the Sherman and the Clayton Acts on the statute books, but to lift business from the menace of a legal strait-jacket by the provision that any contracts which the Federal Trade Commission, subject to a review in the courts, holds to be in the public interest will be exempt from prosecution under the antitrust laws.

Little that Congress could do now would have such a beneficial effect on business psychology as prompt passage of a sound measure for modernizing the antitrust laws.

COST OF FEDERAL GOVERNMENT

Mr. FLETCHER. Mr. President, I ask to have printed in the RECORD a statement showing the comparative annual cost of the Federal Government for the period 1923 to 1932.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

Comparative annual cost of United States Federal Government
[Figures to nearest hundred thousands]

	1927	1932	Amount of increase	Per cent increase
Total expenditures.....	\$3,493,600,000	\$4,432,200,000	\$938,600,000	28
Less interest and sinking-fund payments (statutory).....	1,120,500,000	1,016,800,000	103,700,000	19
Less miscellaneous (not included in budgets of major departments).....	409,100,000	270,300,000	138,800,000	34
Balance (which was expended by major departments, commissions, etc.).....	1,964,000,000	3,195,100,000	1,231,100,000	63
Department of Agriculture.....	156,300,000	333,500,000	177,200,000	113
Agricultural marketing fund—not (Farm Board).....	27,300,000	155,000,000	155,000,000	614
Post Office deficit.....	151,600,000	195,000,000	167,700,000	106
Treasury Department.....	360,800,000	312,900,000	161,300,000	34
War Department.....	318,900,000	483,700,000	122,900,000	19
Navy Department.....	19,000,000	378,900,000	60,000,000	220
Shipping Board.....	24,800,000	60,800,000	41,800,000	117
Department of Justice.....	30,900,000	53,800,000	29,000,000	77
Department of Commerce.....	35,400,000	57,600,000	22,200,000	63
Other independent offices and commissions.....	19,700,000	32,400,000	12,700,000	64
Legislative establishments.....	9,900,000	14,100,000	4,200,000	42
Department of Labor.....	115,200,000	200,000,000	84,800,000	74
Adjusted-service certificate fund.....	391,500,000	784,400,000	1392,900,000	100
Veterans' Bureau (Veteran's Administration since 1930).....	302,700,000	78,300,000	1224,400,000	174
Interior Department.....	1,964,000,000	3,195,100,000	1,231,100,000	63
Total of major departments, commissions, etc.....				

¹ Indicates decrease.

² Since the Bureau of Pensions was transferred from the Interior Department to the Veterans' Bureau in 1931, in order to make a fair comparison with 1927 it is necessary to combine the expenditures of the Interior Department and the Veterans' Bureau for each period, which results in an increase in expenditures in those two divisions of \$168,500,000 for 1932 as compared with 1927.

NAVAL BUILDING PROGRAM

The Senate resumed the consideration of the bill (S. 51) to authorize the building up of the United States Navy to the strength permitted by the Washington and London naval treaties.

Mr. NYE. Mr. President, by holding back most of the truth and the facts, and by revealing only part of the facts and exaggerating others, such masters of propaganda as Merle Thorpe, editor of the chamber of commerce mouthpiece, Nation's Business, has driven Congress into a position which at times this winter has resembled hysteria. The weekly radio broadcasts by the spokesmen and errand boys for big business and concentrated wealth have brought to each Senator's desk during the winter letters upon letters protesting against Government expenditures and demanding economy and tax reduction. Many of these communications have come from men and women who never have approximated an income which would be taxed by the Federal Government or who pay more Federal taxes than they have paid in any of the last 20 years. These spokesmen for selfishness and greed have done their work so well that many people have been blinded to their local, county, and State tax responsibilities under which they labor, and have been tempted to believe that their terrible tax burden was occasioned quite alone by expenditures of the Federal Government.

Far be it from me to want to discount the opportunity for vast savings by the Federal Government; there is, to be sure, room for reductions in expenditures; but I merely point out who has been primarily responsible for the planting of the exaggerated thoughts concerning Federal costs which have made Congress such a madhouse on the subject of economy, and how thoroughly inconsistent Congress can be when it is off balance.

The agents for great and greedy American business corporations have set into motion wheels which have caused Congress to see in red letters at every turn the words "Balance the Budget." We must, above everything else, balance the Budget! It does not matter that the Budget has been

in the process of being unbalanced for years; we must, just the same, balance it now; not to-morrow, but now.

Rare is the Member of this body who has not at one time or another "deplored" Government spending. Economy committees have been established to effect such savings as would materially help to balance the Budget. We have slashed and slashed and slashed at departmental appropriations, and have not always been too particular as to the number of men and women who would be thrown out of employment by reason of the slashing. We have daily shed tears over the plight of the taxpayer and pleaded for a lessening of the terrible load carried by the Federal income-tax payers of the land. When there have been before us appropriations to enable warfare to be carried on against grasshoppers, barberry, and the like, we have often ridiculed the proposed expenditure and have more often cut the appropriations to the bone. Why? For the purpose of relieving the poor souls for whom Mr. Thorpe speaks with such eloquence. We must balance the Budget, not by increasing the taxes of those whose wealth has grown to gigantic proportions during and since the war but by cutting the expenses of the Government.

If future generations will confine themselves alone to the economy discussions which have occupied this session of Congress, they can not be other than convinced that in 1931 and 1932 the Congress of the United States carried the matter of thrift and economy to the highest degree. But if those same generations follow all that this Congress has done and is about to do, they must of necessity wonder what sort of people were serving in the Congress to accomplish so contradictory a record as we are making.

Here we are now, for instance, about to shut our eyes and swallow without a protest a program which can not do anything other than increase the burden of taxation and further continue the Government in the most wasteful enterprise known to mankind. Under the pending naval construction bill upon which we are about to vote and which, it seems, will pass the Senate with an easy majority, we pledge our country to the business of preparing for more war and to provide the additional burden of taxation which war and preparation for it occasions.

Strangely enough, our chamber-of-commerce spokesmen are not broadcasting urges to the public to write their Congressmen and demand that they vote against this authorization for additional naval expenditures totaling hundreds of millions of dollars. Is it possible that their program is one of that kind of economy that puts men out of work and then goes on building machinery which is intended ultimately to devour and destroy the manhood of the land? I am only asking. Far be it from me to ascribe any more reasons than we know to exist as the background of the present interest in Federal economies of the predatory interests of this country.

If the people of America were given half a chance to know just what is occasioning the large expenditures by their National Government, they would be writing us these days in no uncertain terms in protest of this authorization for the building of scores of new battleships, submarines, and cruisers. If the chamber-of-commerce spokesmen were really sincere in their economy urge, they would broadcast to the people the story of what a terrific part armaments play in our present-day budgets.

There are none to deny that our present-day difficulties in an economic way and our tremendous governmental costs are occasioned by war—wars already engaged in and preparation for more war. And yet to-day we seriously consider practicing our economies against those men who went in and carried the burden of battle and risk, who suffered injury and disease, while we authorize larger appropriations than ever before for the building of more ships to bully the world into more war. It is indeed a fine spectacle we present! What another generation or future generations will think of us and term us remains to be seen. I am quite certain, however, that their thoughts and terms are not going to be altogether complimentary.

Let us once again look to our dollars-and-cents burden of war. Observe its growth. I have before me the statistical statement of expenditures for the Army and Navy by our Government for the years dating back to 1870, taken from the June 30, 1930, report of the Secretary of the Treasury. I ask, Mr. President, that this table which is before me may be made a part of my remarks at this point.

The VICE PRESIDENT. Without objection, it is so ordered.

The table referred to is as follows:

Fiscal year	Army	Navy	Total
1870.....	\$57,655,676	\$21,780,230	\$79,435,906
1880.....	88,116,916	13,536,985	101,653,901
1890.....	44,682,535	22,006,203	66,688,738
1900.....	134,774,768	55,953,078	190,727,846
1910.....	189,823,379	123,173,717	312,997,096
1915.....	202,160,134	141,835,654	343,995,788
1920.....	1,100,885,695	629,893,116	1,730,778,812
1925.....	357,937,420	326,365,467	684,322,887
1926.....	358,329,076	311,611,694	669,940,770
1927.....	361,987,157	322,620,723	684,607,880
1928.....	400,345,219	337,008,086	737,353,305
1929.....	427,229,834	364,806,678	792,036,512
1930.....	466,284,983	374,062,691	840,347,674
Total.....	4,140,113,096	3,045,244,325	7,185,357,421

Mr. NYE. I want to point out that back in 1870 we had a total outlay annually for the maintenance of an army and a navy of \$79,000,000—speaking now in round figures—in 1880, \$101,653,901; in 1890, \$66,688,738; in 1900, \$190,727,846; in 1910, \$312,997,096; in 1915, \$343,995,788; in 1920, \$1,730,778,812; in 1925, \$684,322,887; in 1926, \$669,940,770; in 1927, \$684,607,880; in 1928, \$737,353,305; in 1929, \$792,036,512; and in 1930, \$840,347,674.

I want to impress upon the Senate, if I can, the thought which is mine growing out of the figures with respect to our expenditures since the World War. We had a right to expect immediately after the war a gradual cutting down and a return to normalcy in the matter of Army and Navy maintenance costs. We find, however, in 1925, six years after the war was over, a total Army and Navy annual cost of \$684,322,887. The figures for 1926 showed a little progress toward reduction, as our outlay for that year was only \$669,940,770; but instead of that process of reduction continuing from year to year as we were working our way back to normalcy, in 1927 we find an increase to \$684,607,880; in the next year an increase to \$737,353,305; the next year, 1929, an increase to \$792,036,512; and in 1930 to \$840,347,674.

Mr. President, during all this time we have enjoyed setting ourselves up as an example to all the civilized nations of the world of a people who were wanting to reduce the terrible burdens incident to the maintenance of Army and Navy Establishments. We have, so to speak, set ourselves forward as the leaders in the cause of peace in the world; but while we have been so leading, we find that we ourselves have been increasing from year to year the cost of the maintenance of our Army and our Navy.

We are told that, even though this may be true, necessity demands that we at least keep pace with the other powers of the world and not let them get any particular advantage over us by reason of their armaments. Yes; we are told we are weak and defenseless; that we have not kept pace with the other nations of the world in the matter of preparation for war. So we are told by those who would write no limit to the war-preparation burden which might be loaded onto the backs of the people. And, of course, because we take that attitude the people of other lands are told by their war leaders that, because Uncle Sam is building more ships, they must build more ships. And so the competitive game goes on and on and on with no recession.

But what are the facts relative to the war-preparation pace of our country as compared with that of other countries?

The relative strengths in 1931 of the five powers in the matter of naval tonnage was as follows, according to returns submitted to the League of Nations:

	Tons
Italy.....	403,905
France.....	628,603
Japan.....	850,328
Great Britain.....	1,250,247
United States.....	1,251,840

And what of the percentage of increase placed upon the shoulders of the people by reason of armaments during the past number of years? That burden, that increasing percentage, has been, when one stops now to review it, most staggering.

I have before me a table revealing the national-defense expenditures of the seven great powers in 1913 and then again in 1930, with the percentage of increase or decrease, and an index of the wholesale prices. The table, which I ask to have made a part of my remarks at this point, reveals that the percentage of increase from 1913 to 1930 for Russia was 30 per cent; for France it was 30 per cent; for Great Britain it was 42 per cent; for Japan it was 142 per cent; and for the United States it was 197 per cent.

The VICE PRESIDENT. Without objection, the table will be printed in the RECORD.

The table is as follows:

The following table shows the national-defense expenditure of the seven great powers in 1913 and 1930, with the percentage of increase or decrease and the index of wholesale prices:

	1913	1930	Percentage of increase or decrease	Index of wholesale prices: 1913=100
Great Britain.....	\$375,100,000	\$535,000,000	+42	116
France.....	345,700,000	455,300,000	+30	105
Italy.....	179,100,000	258,900,000	+44	100
Japan.....	95,500,000	232,100,000	+142	131
Russia.....	447,700,000	579,400,000	+30	185
United States.....	244,600,000	727,700,000	+197	118
Total.....	1,690,700,000	2,788,400,000	+65	-----
Germany.....	463,300,000	170,400,000	-63	122
Total.....	2,154,000,000	2,958,800,000	+37	-----

1929.

Mr. NYE. So we see how we have been outstripping all others in the matter of increasing the burdens of the people of the various countries with these growing programs of greater armaments.

When one insists that we are falling behind these days in the matter of armaments and ability to compete with other countries, I am inclined to see most clearly that instead of doing that we are really setting the pace which the other powers of the world are feeling called upon to pursue; and a terrific pace it has been, indeed!

Mr. President, if this Congress sincerely desires to cut governmental expenditures, here in the pending bill is the most eloquent chance that has been afforded us all this winter. The defeat of this bill will mean the saving to the taxpayers of the United States of hundreds of millions of dollars. It will mean more than that in dollars and cents alone, for it will mean savings of hundreds of millions to the people of the nations of the world.

There are many very false impressions prevailing relative to the make-up of the outlay which occasions the terrible burden of Federal expense at this time. Those impressions are often given vent in the many letters that Members of Congress are receiving from constituents these days. They seem to think it would be a very simple matter to lop off 25 or 50 per cent of the Federal burden of taxation; but I think for the RECORD I shall offer, in answer to the general spirit that savings would be easy, a table showing where the cutting must be done if material savings are to be effected by the Government.

In 1930 the Department of Agriculture required an appropriation of \$79,000,000; the Department of Commerce, \$56,000,000; the Department of the Interior, \$36,000,000; the Department of Justice, \$13,000,000; the Department of Labor, \$11,000,000; the postal deficit was \$91,000,000; the

State Department had an appropriation of \$13,000,000; the Treasury Department had an appropriation of \$193,000,000.

I am not going to argue foolishly that there is not opportunity for the saving of money in the appropriations for those various departments; but how small they are by comparison with those departments which are requiring the greater outlays! For here is the Navy Department in 1930 with an outlay of \$374,000,000 and the War Department with an appropriation of \$336,000,000. There is where our money is going, Mr. President—into preparation for more wars and into the payment of those obligations which are going to be with us a long, long time by reason of past wars.

The part which wars have played in our present emergency I think must be realized on every hand—at least on that hand where study has been given to the actual expenditures by the Federal departments. The estimates of Federal expenditures for the years 1932 and 1933 reveal a plan to spend \$4,112,909,000. Of that \$4,000,000,000, the sum of \$2,903,000,000 is occasioned by wars—wars of the past or wars to be fought in the future, our preparation for those future wars. This division of expenditure for war is occasioned by the appropriations for veterans' relief, appropriations for the national defense such as we are dealing with here now, for the payment of principal of the war debt, and for the payment of interest on the war debt. While we have an outlay of \$2,900,000,000 for those purposes alone, our expenditures as a government for all other activities of the Federal Government are but \$1,209,000,000, using the round figures which are before me.

Here, then, is a demonstration that of every Federal-tax dollar that is collected and expended by the Federal Government 69 cents is occasioned by wars, making only 31 per cent of it chargeable to the other activities of government which are productive and helpful to the people of our country, or at least we hope that those endeavors are helpful. Yet, in the face of that fact, we would now fasten upon the people of this country an additional burden through a program calling for the launching of an armament program, as it relates to our Navy, the size of which can not be gathered at all at this time.

Is this madness, Mr. President? Is it madness that moves us in this direction? Is it madness which seemingly is making it a comparatively simple matter to pass this naval building authorization bill through Congress at a time when Congress is presumably building a reputation for economy?

Is it madness or is it that more to be despised thing, hypocrisy, which bids us, as sane and honest representatives of the Nation, to clip \$10 or \$12 from the stipend of a stenographer in Government employ and expend it on battleships to defend her from her foreign foes? We rob such of their overtime pay that the humblest member of a labor union receives; we rob such of the vacation which business concerns give employees, and with tenderness of heart we would force upon such an involuntary furlough in which they may go hungry that their country may have protection against the navies of Japan, France, or Great Britain.

These may need the protection of the vast bulk of steel-armored battleships; but neither we who sit here in the Halls of Congress nor the combined forces of the executive and judicial branches of our Government can hide for an instant from the common people that their greater need is defense from their foes within this Republic. It will require no unlimited expenditure for them to gain that. They are not deceived by our lofty oratory on the glories of the American Navy, nor are they unable to pierce the screen of appeals to patriotism which to-day, as ever, have been the first resort behind which greed lurks and works its eternal purpose against the common weal.

I can hear, we all can hear, the cry of "pacifist" raised because at a time when 30,000,000 idle and their dependents go hungry, and another 30,000,000 farmers and their dependents are in the throes of want, it is demanded that we withhold our hand from this prodigious and apparently unlimited expenditure of public money for a larger navy. It must be a pleasant thought to the innocent victims that

the Department of Justice must limit its activities and restrict its services in a real war with crime, to give the Navy the means to battle with enemies without our borders, we know not whom, and if we knew we dare not say. The Commerce Department, which might foster trade, must stay its energies that it may have a navy to guard a vanished commerce! The Department of Agriculture must trim its sails in counseling the farmer that a magnificent navy may plow the deep and protect our world markets which, with prosperity, have withdrawn from our sight.

This is a great, even a criminal folly, that we are about to commit. That we pretend to commit it in the name of peace and self-preservation does not diminish the folly. Rather it increases it, for by it we admit that in crying "peace" we expect war, and persistently ensue it. We provoke the very war we pretend to spend millions to avoid.

At times, Mr. President, I am given to wonder, and quite seriously, where our greatest danger as an American people lies. Is it at home, or is it abroad? I think we have had, during the last 10 years, ample demonstration that our greatest dangers are from within, not from without our borders. I follow with closest interest remarks taken from an address before the Young Men's Lyceum, of Springfield, Ill., delivered by Abraham Lincoln on January 27, 1837. I want to be permitted to read it.

Lincoln said then:

... We find ourselves under the government of a system of political institutions conducing more essentially to the ends of civil and religious liberty than any of which the history of former times tells us. We, when mounting the stage of existence, found ourselves the legal inheritors of these fundamental blessings. We toiled not in the acquirement or establishment of them; they are a legacy bequeathed us by a once hardy, brave, and patriotic, but now lamented and departed, race of ancestors. Theirs was the task—and nobly they performed it—to possess themselves and through themselves us of this goodly land and to uprear upon its hills and its valleys a political edifice of liberty and equal rights; 'tis ours only to transmit these—the former unprofaned by the foot of an invader, the latter undecayed by the lapse of time and untorn by usurpation—to the latest generation that fate shall permit the world to know. This task gratitude to our fathers, justice to ourselves, duty to posterity, and love for our species in general, all imperatively require us faithfully to perform.

How, then, shall we perform it? At what point shall we expect the approach of danger? By what means shall we fortify against it? Shall we expect some transatlantic military giant to step the ocean and crush us at a blow? Never! All the armies of Europe, Asia, and Africa combined, with all the treasure of the earth (our own excepted) in their military chest, with a Bonaparte for a commander, could not by force take a drink from the Ohio or make a track on the Blue Ridge in a trial of a thousand years.

At what point, then, is the approach of danger to be expected? I answer, if it ever reach us it must spring up amongst us; it can not come from abroad. If destruction be our lot, we must ourselves be its author and finisher. As a nation of freemen, we must live through all time or die by suicide.

Such programs, Mr. President, as we do at times engage in here in this Government, here in this Congress, quite thoroughly convince one that we are engaging in a program of national suicide.

It might be pointed out that our domestic conditions are so bad that, like the kings of an early day, when faced with their people's maladjustment and misery, we must plunge into war and preparations for war to distract their attention from the ills at home. Is this the inner and secret program, the last resort to quiet a people distracted and torn by internal ills and domestic wrongs?

I do not now argue that to be the case. One only wonders at times. Cite, if you will, the case of China, which, because it shunned war and boasted no armament, has become the prey of every wild beast in the world's jungles. China has its classes and ranks and, such is its measurement of warfare that, in classifying, it places the soldier below the caste of beggar! China has been conquered many times and fierce invaders from the north and west, not restrained by the great wall, have fallen upon it. Yet in the end, by peaceful means, it has absorbed and swallowed up its conquerors. They are for a moment of time, but its peace is of the centuries, eternal. It may be argued that China has, in part, become modernized, and its recent exploits of arms against Japan may be cited. This is but the edge, the rim of the country which has been touched with modern "civili-

zation"—the civilization of guns, tanks, and high explosives. Deep in the heart of the nation there are millions upon millions who do not know that a war is on and who note neither its beginning nor its end.

Yet China is not a Christian nation. I do not want to be placed in the light of advocating at this stage a program of complete disarmament on the part of the United States. I do advocate only that degree of armaments which are required to amply protect us against possible invasion from abroad. Beyond that point, in times like these, we certainly have no right to go.

In citing the case of China I have said that China is not a Christian nation. It has no book to guide it in the paths of peace. We, the people of the United States, hold as our proudest boast that we are followers of the Prince of Peace. We are Christians—except in practical things. We read and outwardly accept the teachings of that faith, direct from the lips of the Master: "Blessed are the meek, for they shall inherit the earth; blessed are the merciful, for they shall obtain mercy; blessed are the peacemakers, for they shall be called the children of God." Then we close the book with its perfect theory, and, untouched by the essence of Christianity, we come here as Christian men and women, to vote unstinted millions for a haughty and merciless work of slaughter, and having denied the faith before the world, leave this Chamber justified.

Is the cup of our iniquity as a nation not full? Come, let us fill it to the brim that it may be quaffed the sooner.

Mr. President, I know not what the reaction of people generally will be to this movement to authorize an enlarged naval building program. I can only guess that when the facts are known to them every man in public life is going to hear from them. I do know that the people are wondering these days why it is, how it can be, that a program of this kind, at a time such as this, can get through the Congress without any great difficulty, while the distress and the need of the masses of the people of this country are going unchecked, unheeded, and they are left to plod and plot their own way through an impossible situation.

On the farms of America, for example, live 30,000,000 people. In smaller towns and communities are 30,000,000 more, who can not do a thing, who can not progress for a moment, unless they are enabled to do so by the purchases of the people on the farms from their shelves in their towns. Sixty million people are dependent first, last, and all the time upon Mr. American Farmer. Yet when we endeavor to restore prosperity in this country we devote ourselves and with lightning-like speed write legislation intended to help the stock gambler, intended to help the big banker, intended to help the insurance companies, and the railroad companies, seemingly in anticipation that some crumbs are going to drop on down through to these 60,000,000 people, who, for want of buying power, are alone responsible for the distress in American to-day. We would do well to show more solicitude of the needs of the many and vote against this pending bill. [Manifestations of applause in the galleries.]

The PRESIDENT *pro tempore* (Mr. Moses). The Chair admonishes occupants of the galleries that they are present by virtue of the rules of the Senate, which forbid demonstrations of approval or disapproval in the galleries. The present occupant of the chair has once not hesitated to clear the galleries when the rule was violated, and he will not hesitate again.

RELIEF OF AGRICULTURE

Mr. HOWELL. Mr. President, the bill under consideration is an authorization, merely an authorization; hence it does not mean that something immediately could be done for the Navy. Nothing can be done until an appropriation is made under that authorization, and there is no possibility of such an appropriation in this session of the Congress.

In short, we are now considering a bill which it is unnecessary to consider in Congress at this time, with an adjournment only five weeks away. Yet we have not time to consider a constructive measure for agriculture. However, farmers continue to lose their homes by the thousands be-

cause they can not get enough from their products to pay the taxes and the interest on their mortgages. Yet the Congress, with seeming indifference, is already talking of an early adjournment without doing anything to remedy the price inequality suffered by agriculture.

Nearly three-quarters of a million farms were sold because of delinquent taxes, mortgage foreclosures, bankruptcy, or some other form of forced sale in the 5-year period, 1926 to 1930, inclusive. A total of 682,850 farms, or more than one-tenth of all the farms in the United States, were transferred by forced sale of one kind or another during this period, as shown by the following table, which I desire to insert in the Record.

Mr. TYDINGS. Mr. President—

The PRESIDING OFFICER (Mr. BRATTON in the chair). Does the Senator from Nebraska yield to the Senator from Maryland?

Mr. HOWELL. I yield.

Mr. TYDINGS. I suppose the Senator is going to put into the Record what I was about to ask him to have inserted. If he has the figures by years showing the number of farms which have been sold, will he not be kind enough to put them in by years, so that we may see how the condition has been accentuated in the last two or three years?

Mr. HOWELL. Mr. President, I request permission to have printed in the Record the table which I submit.

There being no objection, the table was ordered to be printed in the Record, as follows:

Estimated number of farms transferred by reason of delinquent taxes or mortgage foreclosure, bankruptcies, or other forced sales, by years, 1926-1930

[Statement by Fred Brenckman, Washington representative of the National Grange, before Interstate Commerce Commission, Ex parte 103, August 10, 1931]

Year	Number of farms in United States total	Number of farms per 1,000 transferred as result of—		Estimated number of farms transferred as result of—		Total
		Delinquent taxes	Foreclosure, bankruptcy, etc.	Delinquent taxes	Foreclosure, bankruptcy, etc.	
1925.....	6,371,640					
1926.....	6,355,042	4.2	17.4	26,691	110,578	137,269
1927.....	6,338,443	5.1	18.2	32,326	115,360	147,683
1928.....	6,321,845	5.2	17.6	32,874	111,264	144,133
1929.....	6,305,246	4.7	14.8	29,635	93,318	122,953
1930.....	6,288,648	5.1	15.7	32,072	98,732	130,804
Total.....		24.3	83.7	153,598	529,252	682,850

Mr. HOWELL. Mr. President, I wish to say to the Senator from Maryland that the data for 1931 are not available. The figures in this table are based upon estimates made by the United States Department of Agriculture. The estimate for 1931 is not yet available, but it is safe to assume that the number of foreclosures and other forced sales during 1931 far exceeded the number in any year during the period covered by these figures.

The annual report of the Federal Farm Loan Board recently made public showed that the number of foreclosures by the 12 Federal land banks increased 72 per cent during the year 1931, reaching an aggregate of 11,258. While the aggregate number is comparatively small, the enormous increase in the rate of foreclosures is striking evidence that conditions were far worse in 1931 than in previous years.

Even assuming that the rate of foreclosures and other forced sales continued at the same rate in 1931 as in 1930, namely, 130,804 farms, the total number of farms sold because of delinquent taxes, mortgage foreclosures, bankruptcies, and other forced sales for the period 1926 to 1931, inclusive, would amount to 813,654 farms, or more than three-quarters of a million, and more than one-eighth of all the farms in the United States.

Visualize what this means in suffering to the farmers of the country. From an economic standpoint, the losses are terrific. In times such as these virtually every forced sale means that somebody takes a heavy loss. In some cases it is the mortgage holder who loses because the farm does not bring enough to pay the amount of the mortgage, due to abnormally depressed values. In other cases the mortgage

holder may not lose anything, but in almost every case, whether the mortgage holder loses or not, the farmer loses by reason of the forced sale because a forced sale in periods of great economic depression such as this usually results in bringing a price far below the real value of the property. In a great many cases valuable farms once worth more than double the amount of the mortgages against them, when sold under the hammer bring no more than the mortgage and sometimes less, with the result that the farmers' equity is wiped out and the savings of a lifetime are destroyed.

The economic loss is by no means the whole story. The mental anguish, humiliation, and social distress must also be considered. Think what it means for three-quarters of a million farm families to lose their homes. Some of these homes have been in possession of families for generations. The farm is more than a place of business. It is a home for a farm family. That explains to a large extent why farmers hold so tenaciously to the business of farming, despite the fact that year after year they are unable to make a profit, and scarcely able to even earn the equivalent of wages for themselves. Their farms are their homes, and many of them, if they gave up farming, for which they have been trained by education and experience, would not be able to go into other vocations successfully, particularly those who are middle-aged or older, and so they hang on, hoping that conditions will improve, but facing a continued and rapid accumulation of economic handicaps.

Despite the distressing conditions which now prevail, the worst will not have been reached, unless something is done to remedy the situation. The depression to-day is bad enough, but it can still become worse. Deflation has not yet run its full course. The wages of workmen in the cities, the rates of public utilities which are largely fixed by law, the fees and charges exacted for a large number of services, the prices of trade-marked goods or monopoly products, and a great many other services and commodities still remain on a level considerably higher than can be permanently supported under present economic conditions. Unless the forces of deflation are checked, these prices, wages, and fees for services inevitably must come down to the general level. If this occurs, it means a still further reduction in buying power for the products of the farm.

Our farmers have been patient and long-suffering. They have done their best to cope with the situation, but the disaster which has come upon them has been brought about largely by forces and conditions over which they have had no control as individuals and very little control collectively. Congress has the power to act, and thereby bring substantial relief to agriculture. The farmers know that Congress has this power. For five months farmers have waited patiently for Congress to heed their pleas for effective legislation, but thus far Congress has done nothing except to listen to their appeals.

Mr. President, the farmers' patience is just about exhausted. They want action instead of professions of sympathy. It is not sufficient to make promises. The time has come for fulfillment of promises. What promises? The 1928 platform of the Republican Party reads:

The Republican Party pledges itself to the development and enactment of measures which will place the agricultural interests of America on a basis of economic equality with other industries to insure their prosperity and success.

The Democratic platform of that same year committed the party in the following language:

Producers of crops whose total volume exceeds the needs of the domestic market must continue at a disadvantage until the Government shall intervene, as seriously and as effectively in behalf of the farmer as it has intervened in behalf of labor and industry. * * * We pledge the party to an earnest endeavor to solve this problem of the distribution of the cost of dealing with crop surpluses over the marketed units of the crop whose producers are benefited by such assistance.

Such were the solemn promises of the two parties. Have they been redeemed? It will not be contended that they have. It may be asked, "Did not Congress create the Federal Farm Board in 1929 and provide it with funds?" Yes;

but at the time even a majority of Congress feared the act would prove but a futile gesture, and their fears have been fully justified. The Federal Farm Board has utterly failed. Therefore the pledges made by the Republican and Democratic Parties in 1928 are unredeemed. This has been fully realized for more than 18 months. Since then has Congress provided or even made an effort to provide a constructive measure that might fulfill these pledges made to agriculture by the two great parties? No bill of such a character has been considered on the floor of either body, nor is such a measure pending on the calendar of either body. Yet but 35 days remain of this session, but five weeks. What are we going to do about it? Are we to go home and tell the farmers that political platform pledges mean nothing, at least so far as agriculture is concerned; that Congress has not the will to act? Mr. President, we must act. The welfare of the Nation demands that agriculture be rescued.

NAVAL BUILDING PROGRAM

The Senate resumed the consideration of the bill (S. 51) to authorize the building up of the United States Navy to the strength permitted by the Washington and London naval treaties.

Mr. McNARY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Costigan	Howell	Patterson
Bailey	Couzens	Hull	Robinson, Ark.
Bingham	Cutting	Johnson	Sheppard
Blaine	Dale	Kean	Shipstead
Borah	Davis	Kendrick	Smith
Bratton	Dickinson	Keyes	Stephens
Bulow	Fess	King	Thomas, Idaho
Byrnes	Fletcher	Lewis	Townsend
Capper	Glass	Logan	Trammell
Carey	Glenn	McKellar	Vandenberg
Cohen	Hale	McNary	Walsh, Mass.
Coolidge	Hawes	Moses	Wheeler
Copeland	Hayden	Oddie	White

Mr. SHEPPARD. I wish to announce that the following Senators are detained from the Senate on official business: The Senator from Ohio [Mr. BULKLEY], the Senator from Arkansas [Mrs. CARAWAY], the Senator from Texas [Mr. CONNALLY], the Senator from Washington [Mr. DILL], the Senator from Oklahoma [Mr. GORE], the Senator from Mississippi [Mr. HARRISON], the Senator from Kansas [Mr. MCGILL], the Senator from Nevada [Mr. PITTMAN], the Senator from Oklahoma [Mr. THOMAS], the Senator from Maryland [Mr. TYDINGS], the Senator from New York [Mr. WAGNER], and the Senator from Montana [Mr. WALSH].

The VICE PRESIDENT. Fifty-two Senators have answered to their names. A quorum is present. The bill is open to amendment. If there be no further amendment, the question is on the engrossment and third reading of the bill.

ECONOMY IN GOVERNMENTAL EXPENDITURES

Mr. McKELLAR. Mr. President, the Senator from Utah [Mr. KING] is not quite ready to proceed on the pending bill and, with his permission, I am going to take only a short period of time.

The VICE PRESIDENT. The Chair recognizes the Senator from Tennessee.

Mr. McKELLAR. Mr. President, I wish to call the attention of the Senate, and, if I can, of the country, to certain statements in the President's message of yesterday afternoon. I quote from that message as found on page 9640 of the RECORD, as follows:

Nothing is more necessary at this time than balancing the Budget. Nothing will put more heart into the country than prompt and courageous and united action in enacting the legislation which this situation imperatively demands, and an equally determined stand in defeating unwise and unnecessary legislation.

Leaving out a portion of the message, I read:

The details and requirements of the situation are now well known to the Congress and plainly require—

First. The prompt enactment of a revenue bill adequate to produce the necessary revenue and so designed as to distribute the burdens equitably and not to impede economic recovery.

Second—

And I call especial attention to the second requirement—a drastic program of economy which, including the savings already made in the Executive Budget of \$369,000,000, can be increased to exceed \$700,000,000 per annum.

Again, omitting two or three lines—

Such a program to accomplish its purpose must embrace the rejection of all measures that increase expenditures unless they be for undoubted emergency; the reduction in appropriations now pending below the figures submitted in the Executive Budget on December 9 last; a reconsideration of the legislation covering those economy projects which require repeal or amendment to the laws; and an effective grant of authority to the Executive to reorganize and consolidate and eliminate unnecessary Government bureaus and establishments.

I call especial attention to the sentence which follows:

In the category of appropriations within the authority of the Appropriation Committees, those committees have given some months to devoted consideration of the Executive Budget, which, as I have said, in itself carried a reduction of \$369,000,000 below the expenditures of the current year.

Mr. President, for the second time the President of the United States has asserted that his Budget recommendations for the fiscal year 1933 represented a reduction of \$369,000,000 as compared with those for the fiscal year 1932. The President is wholly mistaken in making that statement, and I shall read from official documents in order to prove what I say. When I shall have placed the figures in the RECORD I challenge any Senator, I challenge the President himself, I challenge the Budget Director, I challenge the Secretary of the Treasury, or any other person to refute those figures or to sustain the so-called \$369,000,000 reduction of which the President speaks.

Mr. President, on April 5 I called attention to a similar statement in the President's message made on April 4. I quoted from his message of April 4 as follows:

I have in various messages to the Congress over the past three years referred to the necessity of organized effort to effect far-reaching reduction of governmental expenditures.

To balance the Budget for the year beginning July 1 next the revenue bill passed by the House of Representatives on April 1 necessitates that there shall be a further reduction of expenditures for the next year of about \$200,000,000 in addition to the reduction of \$369,000,000 in expenditures already made in the Budget recommendations which I transmitted to the Congress on December 9.

Mr. President, I went to the clerk of the Appropriations Committee of the Senate for the figures which I present and which are taken from the record. They are not hearsay, not estimates, not good intentions, but the cold figures as furnished by the Appropriations Committee, whose duty it is to recommend appropriations, and here is what they show:

The appropriations for the fiscal year ending June 30, 1932, were \$5,173,524,967.95. The President's recommendations were a little more than \$23,000,000 above that figure. Now he says in his message of yesterday, as he said in his message of April 4, that he recommended this year a reduction in the appropriations of \$369,000,000 below those of last year. I read from the President's own recommendations and those of the Budget Director:

On December 9 the appropriations recommended in the Budget estimates by the President for the fiscal year ending June 30, 1932, including the Postal Service, were \$4,601,479,101.

First deficiency act, second session, Seventieth Congress, \$126,250,333.

Public Resolution No. 3, Veterans' Administration, \$203,925,000.

United States Employment Service, \$120,000.

Reconstruction Finance Corporation, \$500,000,000.

Appropriation for disarmament conference, \$300,000.

Appropriation for the capital stock of Federal land banks, \$125,000,000.

Making a total for this year and the coming year of \$5,557,074,434.

I challenge the President to show any error in those figures. By a simple calculation of the figures in his recommendations for 1932 and those of 1933, it appears that the recommendations made by the President for 1933 exceeded those for 1932 by \$378,549,466.05. Those are the figures taken from the records themselves; there can not be any

doubt about them; and yet the President says that he has recommended that \$369,000,000 less be appropriated for 1933 than for last year, when, as a matter of fact, not by my statement, not by the statement of anyone else, but by the record it is shown—and, by the way, if any Senator has any doubt about the figures, I have the several printed messages of the President and the estimates of the Budget Director in my hand, which show the correctness of the figures—that, instead of recommending less money to be appropriated this year than last year the President has recommended \$378,549,466.05 more than for last year. I may stop here long enough to say that the end is not yet. We may have other recommendations. No one knows.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. COPELAND. Has it occurred to the Senator that the President must have known last summer the pressing need of the country for economy, the need for revision of our appropriation bills and our revenue bills?

Frankly—and I speak calmly when I say it—it seems to me very strange that the President did not call the Congress in extra session last fall in order that these matters might be dealt with. Had that been done, long since—probably by the first of the year—there would have been an adjustment of the matters in question. The appropriation bills would have been trimmed, and the tax bill provided for in such a way that instead of being in the great mess that we are in—there can be no doubt of that—a restoration of confidence and a restoration of our economic prosperity would have been permitted.

Does it occur to the Senator that perhaps I am right about this?

Mr. McKELLAR. I think the Senator is entirely right about it. Last summer, when we found that the Government was in the hole the unusual sum of, perhaps nine hundred and some odd million dollars, on running expenses, I gave out an interview that it would have been very proper for the President to have called the Congress in session and to have balanced the Budget then. It would have been very much better. Instead of that, however, with an empty Treasury, when we are behind some \$3,000,000,000 in running expenses for both years, instead of curtailing expenses, instead of reducing recommendations, instead of any savings, we find that the President has recommended to the Congress for appropriation this year the enormous sum of \$5,557,074,434, or \$378,549,466.05 more than was spent even last year, when we had a deficit in the Treasury of nearly a billion dollars.

Mr. COPELAND. Mr. President—

The VICE PRESIDENT. Does the Senator from Tennessee further yield to the Senator from New York?

Mr. McKELLAR. Yes; I yield.

Mr. COPELAND. Has the Senator observed any lack of cooperation on the part of the Democrats of the Senate in every activity that would make for economy and for the relief of the distress of the country?

Mr. McKELLAR. Mr. President, I do not think so. I think the Democrats have cooperated in every way possible. I think both Houses of Congress, irrespective of politics, have sought to cooperate with the administration in every way in the world; and, to my mind, they have gone entirely too far in appropriating money to carry out the plans of the administration. Surely neither the Democrats nor the Congress itself have failed in any way to cooperate; but they have been remarkably agreeable to any plan that was suggested by which the condition of the country might be bettered.

Mr. COPELAND. I thank the Senator for what he has said.

This morning I received 30 or 40 letters and telegrams from citizens of my State asking me to set aside partisanship and to cooperate with the President in all of his plans for economy and taxation. I desire to say, if I may, that I have not seen the slightest evidence on this side of the aisle of a failure of the Democrats to join heartily with our friends on the other side of the aisle in every plan which has to do with economy, in every plan which has to do with the

restoration of prosperity. I think the Senator is doing a notable thing and a proper thing when he calls attention to the fact that it is not partisanship which has delayed recovery of the country so far as we can bring about that recovery, but that it is largely the fault of the President himself; that he was dilatory in calling the attention of the Congress, the responsible agency of government, to the need of legislation. In my opinion, he should have done that last fall, in order that this trouble might be behind us now, in order that we might be going toward recovery instead of in the morass where we find ourselves.

Mr. McKELLAR. Mr. President, I agree with the Senator. When the President found, last June or July, that the Government was going to be over \$900,000,000 behind in its running expenses, surely that was the time to have called the Congress into session and to have corrected this matter before it got worse.

Mr. COPELAND and Mr. BANKHEAD addressed the Chair.

The VICE PRESIDENT. Does the Senator yield further?

Mr. McKELLAR. I will yield in just a moment.

It seems that the administration has been proceeding on the plan that it was all poppycock about our having an empty Treasury; that it was merely a vague assertion that we had one, and that all we had to do to bring about prosperity was to continue to get money out of a bankrupt Treasury and distribute it among the people.

In this connection I wish to say that I think the President criticizes both Houses of Congress in this message of yesterday, and he demands that taxation be placed upon the people for the purpose of balancing the Budget. Who brought about this deficit? Who brought about this bankruptcy in our Treasury Department? Of course, it was Mr. Hoover and his administration. It was not a sudden thing. It has been a growing thing. The President must have known it. He must have known the condition of the Treasury. At any rate, anybody could ask and find out. It looks as if nobody has paid any attention to the fact that we have a bankrupt Treasury; but we have had it, and if the fault is anywhere it is in the administration of the Government. It is not a Democratic fault. It is not, perhaps, a Republican fault, except that the Republicans happened to be in control of the administration; and it is the administration's fault that we have a bankrupt Treasury. The President demands that we should remedy his mistake by imposing upon the American people almost unheard-of increases in taxes.

I want to say for one, as I have said on this floor probably a hundred times before, that with our Treasury in the situation it is in, I am a thousand times more interested in cutting down the expenditures of the Government than in seeking new sources of taxation and imposing on the people all kinds of nuisance taxes—a tax on telegrams, a tax on bank checks, a tax on jewelry, a tax on spectacles, a tax on almost everything that the committee can find; also increasing income taxes, increasing taxes on gifts and estates.

To my mind, taxation ought not to be the proposal of the Congress. In my judgment the pitiful condition of the United States Treasury has been brought about by the waste and extravagance of this administration; and it is the duty of the Congress to cut off that waste and extravagance. I do not know whether we will do it. We are making attempts to do it; and I am happy to see that the President admits in this message that we can still further reduce the expenditures by \$331,000,000. That, as it seems to me, is an admission that the Congress is on the right track in reducing expenditures. If the Congress reduces the expenditures \$331,000,000, as admitted by the President in his message of yesterday, it will constitute a decrease of about \$700,000,000 under the estimates that have been sent in by the President at the beginning of this session of Congress—the most unheard-of estimates, the most extravagant estimates, the most wasteful estimates that perhaps were ever sent in by any President in the history of this Republic.

Mr. COPELAND. Mr. President—

Mr. McKELLAR. I yield to the Senator.

Mr. COPELAND. I simply want the Record to show—and I know the Senator agrees with me—that so far as we

are concerned on this side of the aisle, we are committed to a program of economy. We are willing to cooperate with the President, with the Republicans, with anybody committed to the same program. We are seeking in every way we can on this side to reduce taxation, to reduce the expenses of government; and the country should know that there is no lack of cooperation in every proposal which has in it the hope of restoration of business.

May I ask the Senator if I am right in that?

Mr. McKELLAR. I think so. I know so.

Mr. President, to show that the Congress is cooperating, that the Congress has been uniformly reducing appropriations below the estimates given by the administration, I am going to read some more from the books.

These are figures taken from the books of the Government. I am not talking about hearsay. I am not putting up a straw man and shooting at it. I am talking from the books of the Government.

In 1923 the Congress appropriated \$312,361,792.27 less than the President and the Budget Director recommended it should appropriate.

In 1924 the Congress appropriated \$10,741,504.15 less than the President and the Budget Director recommended.

In 1925 the Congress appropriated \$9,024,637.08 less than the President and the Budget Director recommended.

In 1926 the Congress appropriated \$12,596,495.90 less than the President and the Budget Director recommended.

In 1927 the Congress appropriated \$6,716,064.34 less than the President and the Budget Director recommended.

In 1928 the Congress appropriated \$7,753,939.03 less than the President and the Budget Director recommended.

In 1929 the Congress appropriated \$9,139,989.51 less than the President and the Budget Director recommended.

In 1930 the Congress appropriated \$8,142,294.71 less than the President and the Budget Director recommended.

In 1931 the Congress appropriated \$23,784,185.61 less than the President and the Budget Director recommended.

In 1932 the Congress appropriated \$13,169,011 less than the President and the Budget Director recommended.

Or a grand total of \$413,428,913.60 less than the President and the Budget Director had recommended during those 10 years of our history. Yet this message of the President would indicate that a wicked and extravagant Congress was wastefully using the people's money and that he alone was striving for economy. This is not true.

While I am talking about the President's alleged striving for economy, let me say that a program was put on in this body several months ago in an effort, in the usual and ordinary way, to effectuate greater economies, and every single member of the President's Cabinet appeared before the committees urging that no reductions be made, making all kinds of extravagant claims as to what would happen if we cut off a few dollars here or a few dollars there.

We have not only received no cooperation from the administration, but we have had the most vigorous opposition from the administration. I have been informed—and I can not give the name of my informant—that very remarkable measures are being taken by the administration to prevent any further reductions. Perhaps Senators can give some information, and if they can, I will be glad to have it. Is every possible measure being taken by him to bring about the economy about which the President speaks? No; the effort is to stop economy. Members of the Cabinet come here and testify against economy. They send out circulars all over the country, at the expense of the Government, urging this officeholder and that officeholder throughout this Republic to write to his Senators not to reduce appropriations, not to have economy.

If the President wants to have economy, he should start to proselyte right in his political family. He should have some weight with his own Cabinet officers. The Secretary of State appeared before the Committee on Appropriations and said in his efforts to prevent any reduction, it would be cruel and inhuman for the Congress not to appropriate \$400,000 to enable our representatives in foreign countries to give parties, where wine would be included in the bills. Eight

millions of unemployed in this country and our Secretary of State asking for an appropriation for \$400,000 for wine for diplomats.

The Secretary of the Treasury came before the committee and said it would disrupt his department if 10 per cent were cut off the appropriations, and he has been engaged in sending propaganda to Treasury officials in every State in the Union, getting them to urge their Senators and Representatives against any reduction. So the other members of the Cabinet, the Secretary of the Interior, the Secretary of the Navy, the Postmaster General, and other Secretaries, all appeared before the committee fighting to the last ditch any reduction in their appropriations.

Yet the President comes along and talks, not about economy, but "rigid" economy and "drastic" economy. Has he not enough influence with the members of his own Cabinet to convert them to economy? He does not seem to have. It is true that I saw in the paper a day or two ago a statement that the President, while he signed the Interior Department bill reducing the appropriation some \$10,000,000, signed it not believing it ought to be signed, but regretting it. Whether that is true or not, I do not know; I am merely giving the newspaper story. Yet that economy has been made, and the President is trying right now to have the Senate change its program about 10 per cent reductions, and a resolution has been offered by the chairman of the subcommittee in charge of the post office appropriation bill and one of his leading supporters in the Senate seeking to set the 10 per cent reduction aside entirely. That is what is actually taking place. Senator OGDEN would not have introduced this resolution without the backing of the President.

If the President is in favor of economy, for Heaven's sake let him get his cabinet officers and his own spokesmen in this body to agree with him, get them to cooperate with the Senate and the House, and bring about such reductions as will not interfere with the proper functions of the Government.

I call attention to another thing. It has been published in the daily press for weeks that the great shipping companies are getting subsidies of \$35,000,000 a year, the magazines are getting subsidies of \$25,000,000 a year from the Government, the aircraft companies are getting \$20,000,000 as subsidies, as gifts, as largesse. They do not need it, they are not starving, they are not unemployed, they are not without jobs. They are living on the fat of the land. Has the President said anything about cutting off those subsidies in this time of trouble? Not a word. Study any message he has sent to the Congress, and there will not be found a word, not a single word, about it. He is as silent as the great sphinx in Egypt on the subject of subsidies.

Eight millions of American citizens are without employment, and a few dozen great, rich, American corporations draw this largesse from the Government without a word being said by the President, without any criticism; and whenever any man rises in his place here and asks for real economy he is said to be a bad actor.

The President lays great stress on taxation. He says, Lay it on. These great interests must be paid their subsidies. Put an additional tax on business, and pay these favorites of the Government for carrying—as one of them expressed it—a hatfull of mail to South Africa. Tax the American people, says the President.

I do not agree with the President. If I were running this matter—and I am not—I would see to it that a reduction of appropriations was made of not less than \$350,000,000, and the reduction could be made a half a billion, if we put ourselves to the task, just as well. But let us assume that we can not raise it to a greater figure than \$350,000,000. By the way, the President says there ought to be \$331,000,000 more added. Surely if the President is willing to make it \$331,000,000, we ought to raise it to \$350,000,000, as we could, as I said, if we lent ourselves wholeheartedly to the task, cut off half a billion dollars instead of \$350,000,000, and we would have a better Government and a more efficient Government. But I will leave it at \$350,000,000.

In the second place, for the last 10 years the Treasury Department has been paying out secretly refunds of taxes for the war years. I presented the figures here some time ago as to how much had been paid out, the enormous sum of \$3,859,000,000 secretly paid out by the Treasury Department to those who paid taxes during the war years. It has been 12 years and more since the war, and if we had that \$3,859,000,000 the Treasury would be in a very much better condition than it is in now. We would not be hunting new sources of taxation if that money were in the Treasury. While it may have been legalized to pay it out, it is nothing in the world but legal graft. We all know that the war profiteers who paid the taxes in 1917 and 1918 included their taxes in the prices they secured for their wares, and as they sold a very large portion of their wares to the Government of this country, as well as to the governments of other countries, whatever they paid in taxes ought to have been retained in the Treasury, because it is making the Federal Government actually pay back twice, and I would suspend the war refund taxation proposal that is in the revenue bill, and by that we would save \$200,000,000 more.

We might lay taxes on incomes and gifts and estates, say \$250,000,000 more, and that would make \$800,000,000. Then I would provide that the \$500,000,000 appropriated for the Reconstruction Finance Corporation be made a permanent bond, because it is an investment, and that would be \$1,300,000,000.

I would stop there. I would not put on the people the proposed nuisance taxes, or sales taxes, or any other kind of taxes except to rearrange and increase reasonably income and estate taxes. The people of the United States are taxed to the very limit now, and we ought to stop taxing them. It is cruel and inhuman to the American people to levy further taxes.

I want to say right now in this public way that I will have to change my mind radically before I will vote to put any more taxes on the American people other than as just mentioned. I think we ought to reduce these extravagant expenditures rather than to lay taxes on the American people. And that is what I propose to do.

I ask that a table showing the reductions made by the Congress in the Budget estimates sent in by the President for the years 1923 to 1932 be printed as a part of my remarks.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

Reduction of Budget estimates by Congress

1923	\$312,361,792.27
1924	10,741,504.15
1925	9,024,637.08
1926	12,596,495.90
1927	6,716,064.34
1928	7,752,939.03
1929	9,139,989.51
1930	8,142,294.71
1931	23,784,185.61
1932	13,169,011.00
Total	413,428,913.60

CALL OF THE ROLL

Mr. ASHURST obtained the floor.

Mr. WHEELER. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Couzens	Johnson	Robinson, Ark.
Bankhead	Cutting	Jones	Schall
Barbour	Davis	Kendrick	Sheppard
Bingham	Dill	Keyes	Smith
Blaine	Fess	Lewis	Smoot
Bratton	Fletcher	McGill	Thomas, Okla.
Bulow	Frazier	McKellar	Townsend
Byrnes	Glenn	McNary	Vandenberg
Capper	Hale	Metcalfe	Walsh, Mass.
Caraway	Hatfield	Norris	Walsh, Mont.
Carey	Hayden	Nye	Wheeler
Copeland	Howell	Oddie	White
Costigan	Hull	Reed	

The VICE PRESIDENT. Fifty-one Senators have answered to their names. A quorum is present.

TARIFF ON COAL, LUMBER, OIL, AND COPPER

Mr. ASHURST. Mr. President, I give assurances of brevity, as I realize the Senate desires to vote on the naval bill. I am advised that the Senate Finance Committee has just finished its consideration of the tax bill. That committee performed one of the most arduous, one of the most unpopular duties ever performed by a committee in the Senate in our time. My compliments to the Finance Committee that they have brought out a bill at all. It is an encouraging sign that they have had the resolution, the courage to press forward in the performance of their duty. I am gratified that the committee has incorporated into the bill an import duty upon coal, lumber, oil, and copper. I wish to speak upon the necessity of affording adequate safeguards to these commodities.

The Government of the United States owes no man a living. Indeed, it was ordained at the beginning of time that mankind, so far as earning his subsistence was concerned, should be put upon his mettle until the end of the film. Therefore we shall look in vain for any panacea or any heaven-born plan under and by which the Government will give to anyone a living. But it is equally true that this Government owes to every citizen—mark, I say citizen—a fair chance to earn a decent living, and the Government which fails to afford such opportunity neglects and is remiss in one of its most vitally important functions.

Our own country is one of such vast and varied resources that it is or should be able to afford all industrious, well-meaning, and capable persons an opportunity to earn a living and to feel free from the specter of insecurity and distress arising from unemployment. It ought especially to be the concern of American statesmen to see to it that these economic maladjustments which sweep away the savings of well-meaning and industrious persons shall not also deprive them of an opportunity to earn a living.

Mr. President, in debate in forum and in court we learn by instinct to discount the statement of the man who comes speaking in superlatives. I always suspect the soundness of the argument of the man who speaks in superlatives. It argues either a poverty of expression or an indolence of research. But I shall refer now to a speech delivered in the Senate on the 28th of last March by the junior Senator from Michigan [Mr. VANDENBERG], in which speech that Senator dealt in superlatives, but he can not be accused of being deficient in scholarship or of remissness or indolence in research. The Senator said at page 6908 of the RECORD:

The governors of at least 14 States have laid their petitions upon the bar of the Senate, praying for this vitally essential relief—

A tariff on copper—

It is just as much a relief proposition as it is to protect the victims of fire or flood, or drought or famine. It is a famine and nothing else. It is a matter of life and death.

Skeptical and wary as I am of those speeches abounding in superlatives, this speech of the able junior Senator from Michigan is exempt, and justly exempt, from the general criticism that falls upon speeches dealing in superlatives, because every word he uttered is literally true and within the common knowledge of every well-informed person.

The Senator from Michigan proceeded:

There can be no criticism of Democratic Senators who join in asking protection for copper under such circumstances, and there can be no defense for Republican Senators who join in denying the relief.

The victims of this copper tragedy confront a lethal menace entirely beyond their control but entirely within our control. It is a menace which has developed since the Smoot-Hawley bill was passed, because it is only recently that the full exposure to ruinous African competition has become apparent—an exposure to fatal competition with unbelievably rich ore and with native labor which the United States Tariff Commission reports to run down as low as 5 and 6 cents a day in compensation. The commission joins in writing a warrant for copper tariff relief.

Mr. President, I am strongly tempted at this time, but I shall not do so, to descant upon the reasons which have transformed America within a space of 150 years from scattered agrarian colonies into a powerful nation. Suffice to say that in this transformation, in which the lamp of

Aladdin, the purse of Fortunatus, and the philosopher's stone appear tame and commonplace, free trade made practically no contribution.

In my opinion, it is one of the worthy objects of the American Government to preserve the American market for the American producer, and thus maintain the American wage scale by safeguarding our workmen against ruinous foreign competition. On the 15th of last March there was presented to the Treasury Department a petition—signed by numerous civic, business, political, and patriotic societies throughout the United States—urging that manufactured articles and raw materials produced in Soviet Russia be denied admission into the United States when such manufactured articles and raw materials were produced by slave labor, conscript labor, or convict or forced labor. For example, Mr. President, manganese ore mined in Russia by forced and conscript and convict labor is being shipped to the United States in such quantities as to strangle completely the American production, whereas if it were not for these Russian ores produced by forced, conscript, or convict labor and imported into this country, the American production of manganese would be adequate for our needs, and we would also be relieved of the necessity of depending upon a foreign country for our supply.

Likewise, Mr. President, lumber produced in Soviet Russia by forced, convict, and conscript labor is brought into the United States and sold at such low prices that the American working men in the sawmills and in the lumber woods of this country have been practically beggared.

Here on my right sits the senior Senator from Washington [Mr. JONES], and here is the junior Senator from Washington [Mr. DILL], and I observe also the Senators from Oregon, who may testify with a nearer approach to accuracy than I that the lumber industry in the Northwest has been nearly destroyed and is in danger of extermination by reason of the influx of foreign lumber produced by cheap, by forced, conscript, or convict labor. I lay it down not only as a rule of political philosophy but also as a rule of moral philosophy that the American working man and the American business man should not be required to compete with the ruinous, the insensate, the forced, and convict labor of Soviet Russia or of any other country.

The deadly peril to which the copper, the oil, the coal, the lumber, and the manganese interests of this country are now exposed undoubtedly caused the Finance Committee, unusual though such procedure was, to include tariff duties in the tax bill, and to provide some safeguard for American copper, lumber, oil, and coal. No doubt the Senate Committee on Finance had also in mind that a tariff revenue duty on these commodities would bring into the Treasury of the United States a vast deal, indeed, millions of dollars annually, of much-needed revenue.

Mr. SHORTRIDGE. Mr. President—

The VICE PRESIDENT. Does the Senator from Arizona yield to the Senator from California?

Mr. ASHURST. I yield to the Senator.

Mr. SHORTRIDGE. Will the Senator permit me to corroborate or indorse his thought? There are a number of very intelligent and altogether honorable members of the committee who perhaps are opposed to a tariff for protection purposes but who, without any embarrassment, can vote to put oil, for example, on the dutiable list as a purely revenue-raising proposition. That also would apply to coal, to copper, and to lumber, and would apply to other fundamental great national industries. I favor so dealing with those industries, as sources of revenue and for protection to those industries.

Mr. ASHURST. Mr. President, I now discuss, for example, copper; for it so happens that I know more about the copper-mining industry than I do about coal or oil or even lumber. As has been pointed out, recently there have been discoveries of enormously rich copper deposits in South America and in Africa, where copper is produced by workmen who are paid only a few pennies a day for their labor. This ruinous competition has closed or will within a few weeks close every copper mine in the United States. But,

if the copper-mining industry in the United States may be reasonably secured against the influx of this foreign copper, produced by labor paid 7 or 10 cents a day, the American copper-mining industry will flourish; it will again take its place in the economy of the Nation.

Unless such protection be and speedily is accorded, there will soon be 150,000 American copper miners, copper-smelter men, nearly all of them men of family, who will be denied any opportunity further to earn their daily bread in America, the land of their birth.

Copper is the most important nonferrous metal. It has been mined in the United States for more than 80 years, and during that space of time towns and cities have been built around the copper mines. In these copper-mining towns and cities will be found beauty and order, a regularity of life, and a culture comparing most favorably with that of any other city or town of like population in the United States. These American copper-mining towns depend solely and only upon the production of or smelting of copper for their continued existence. The unrestricted flow of cheaply mined copper from foreign countries will exterminate not only these towns and cities but, I repeat, will drive to infinite despair those proud and industrious citizens—copper miners—who are not beggars but who are asking only the American privilege of earning a living, and who may justly point the finger of reproach at a quality of statesmanship that does not put forward an effort to relieve this distress.

If the copper-mining industry be safeguarded against the influx of foreign copper, produced by cheap, insensate, slave labor, and if the oil and lumber and manganese and coal industries may likewise be safeguarded against foreign cheap production, the American workman in these industries will have a fair chance.

If you grant an adequate safeguarding tariff duty upon imported copper, you will find new life pulsating in the copper mines; you will find a new hope in the hearts of a hundred and fifty thousand workingmen in the copper mines and smelters, most of them, I repeat, men of family who now see at their doors the wolf with its long white fangs snapping at their dear ones, and they pathetically helpless to move and unable to aid themselves or their families.

Mr. President, if the copper-mining industry shall be revived and restored, then in the shafts and the tunnels of the copper mines, where now there is silence and the darkness of the heart of the pyramids, will come the light of the miner's carbide lamps, and then will be heard again the thud of the drill; the mines will pour the red metal into the veins and channels of trade. Plumes of smoke will be seen by day pouring from the smelter stacks and flashes from the furnaces and slag dumps will illuminate the midnight sky. Then, too, if copper be restored, the cities and towns of the copper-mining regions, now about to be covered with the dust of the valley, now about to be infested by the bats and owls of the mountains or the reptilia of the desert—these copper-mining towns and copper-mining camps, where there have been erected temples to religion, temples to art and to industry, now about to fall into disrepair and ultimate ruin—will breathe anew and throb with a mighty and a cleansing energy, and happy and contented workmen will thank their Creator and will revere their country's flag. So, I say, despite the criticism falling like a flail upon the heads of the Finance Committee, although with their bill in all particulars I do not agree, I wish them to know that I appreciate their efforts and their labors.

Mr. President, when I was a small boy, I went away from home to see the world; I finally reached northern California. There was a political campaign on in that State at that time—it was in 1886 or 1888—and I went out to hear a candidate make a speech. He said, amongst other things, "Send me to the State capital, and I will bring back a tax bill satisfactory to everybody." I nudged my youthful companion and said, "Let us go; this speaker has a leaky brain pan; he says he is going to write a tax bill satisfactory to everybody, when there never was and there never will be a tax bill satisfactory to everybody."

Mr. NORRIS. Mr. President, may I interrupt the Senator?

The VICE PRESIDENT. Does the Senator from Arizona yield to the Senator from Nebraska?

Mr. ASHURST. Certainly.

Mr. NORRIS. The Senator, while giving his beautiful description of the campaign meeting in northern California, pointed so directly, I thought, to the Senator from California [Mr. SHORTRIDGE] that I am anxious to know whether his youthful companion to whom he referred was the great Senator from California himself.

Mr. SHORTRIDGE. No; it was not.

Mr. ASHURST. Mr. President, I have had the honor to be personally acquainted with the junior Senator from California for more than 45 years. When I first met him, I was a rustic youth, not dry behind the ears, and he was then giving evidence of that scholarship and that devotion to the public weal that now mark his career. Likewise, Mr. President, I have known and esteemed the senior Senator from California [Mr. JOHNSON] for a long period. I am proud to say that these two Senators, who, apparently, at times do not agree with respect to their political philosophy, have made great contributions to the public service, and no State represented in the United States Senate as well as is the State of California has a right to complain.

Mr. SHORTRIDGE. Mr. President—

Mr. ASHURST. Just let me finish the sentence.

Mr. SHORTRIDGE. I wanted to pay a tribute to Arizona. Mr. ASHURST. I have more than an admiration for the Senators from California; I have almost a brotherly affection for them. I owe them a vote of thanks for the efforts they have put forth in the attempt to secure justice for the copper interests of the country, even though California, while a producer of copper, is not a heavy producer.

Mr. President, it has often been said—and I regard the statement as an injustice to myself—that I am filled with bitterness and a desire for revenge, and that what ought to be the milk of human kindness in my system has turned to some sort of sour lacteal fluid because these Senators inflicted upon me a terrific defeat over the Boulder Dam contest. I have not the time in this busy world to examine the scars that I receive in battle, but I press forward to other duties; and I am proud to say that the scars I received in the Senate in the battle, inflicted by California Senators, over Boulder Dam do not appear upon my back or below the belt, but they are on the chest, and no man who is a sportsman or a statesman objects to scars on his chest inflicted by his opponents.

Mr. SHORTRIDGE. Mr. President, will the Senator be good enough to yield to me?

The VICE PRESIDENT. Does the Senator from Arizona yield to the Senator from California?

Mr. ASHURST. I yield.

Mr. SHORTRIDGE. I can not let the incident pass without saying that the distinguished, thoughtful, and ever-courteous Senator from Arizona has paid an undue tribute to the humble representatives in the Senate from California. Permit me to add that no State in this Union has more vigilant, observant, capable representatives in this body than the splendid State of Arizona.

Mr. ASHURST. I thank the Senator.

Mr. SHORTRIDGE. A little before the year 1886 I had the honor of being assistant blacksmith in the old Cold Spring gravel mine, in Nevada County. Later I advanced and lighted the street lamps in San Jose. During that period, however, I had the great pleasure, which has lingered with me, of knowing the Senator from Arizona; and I hope that God will be good to him and that the people of Arizona will keep him here until the final curtain falls.

Mr. ASHURST. The Senator is most kind. I must hurry along; but before I finish let me say that I should be deficient in what I conceive to be my duty if I did not at this time testify to the debt of gratitude or at least make some gesture toward acknowledging the debt of gratitude I owe to the distinguished Democratic minority leader, the Senator from Arkansas [Mr. ROBINSON].

I do not know whether or not he agrees with my philosophy as to the tariff. He has not sought to instruct me as to my duty in the matter. One of the reasons why he has risen to great heights of leadership, one of the reasons why he is the Democratic minority leader, is because of the broad and liberal judgment he at all times employs with respect to his fellow Senators and all other persons. I at least owe him my gratitude, and I now tender to him my thanks for his refusal to permit a Democratic caucus—if anyone ever thought of such procedure on this subject—to commit any Senator on this question. I should, indeed, be most remiss in my duty if I did not here and now say that the Democratic leader of the minority [Mr. ROBINSON] on this subject as on all other subjects has exhibited no censorious attitude toward any Senator for taking any position such Senator sees fit to take with respect to the tariff or any other question; and Senator ROBINSON, by his courageous and exalted leadership, has served his country and his party superbly. He has led his party to that ennobling ideal that truth shall conquer every falsehood.

A vast deal of pessimism is in our land. We are told that America is in the doldrums. That may be; but she will arise, Mr. President. The final chapter has not been written for her. I do not believe our country has reached the point where she belongs exclusively to the past; but we have reached the position where the past belongs to her. If we but extend to the copper producers, the oil producers, the manganese producers, the lumber producers, the coal producers, exemption and freedom from this ruinous, cheap, insensate competition, then the workmen earning a subsistence in these industries will be able to say, "Whatever may have been my distress in the immediate past, mine is now the shining future."

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 9349) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1933, and for other purposes; requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. OLIVER of Alabama, Mr. GRIFFIN, Mr. CANNON, Mr. BLANTON, Mr. SHREVE, and Mr. TINKHAM were appointed managers on the part of the House at the conference.

APPROPRIATIONS FOR THE DEPARTMENTS OF STATE, JUSTICE, ETC.

The VICE PRESIDENT laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 9349) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1933, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. JONES. I move that the Senate insist on its amendments, agree to the conference asked by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. JONES, Mr. HALE, Mr. MOSES, Mr. McKELLAR, and Mr. BROUSSARD conferees on the part of the Senate.

NAVAL BUILDING PROGRAM

The Senate resumed the consideration of the bill (S. 51) to authorize the building up of the United States Navy to the strength permitted by the Washington and London naval treaties.

Mr. KING. Mr. President, prior to the adjournment yesterday I secured the floor and discussed for a short time what I conceived to be a question of importance, namely, the stabilization of silver and its restoration to a proper monetary status. Before completing my remarks I yielded the floor to the minority leader, and he was followed by several other Senators, with the result that I was denied an opportunity to conclude what I desired to say upon that subject.

However, fearing that if I should now continue a discussion of the silver question, the Senator from Maine [Mr. HALE] would charge me with a design to filibuster against the pending naval bill, which authorizes new naval construction at a cost of approximately \$1,000,000,000, I shall therefore address myself to the pending measure.

Mr. President, the Senator from Arizona [Mr. ASHURST] has just paid compliments to Senators, and in effect indicated that peace and prosperity will soon be at our door. I fear that I shall sound a discordant note in expressing opposition to the pending measure and disapproval of the members of the Naval Affairs Committee in favorably reporting the same and urging its passage. At this particular juncture I regard it as unfortunate that a bill should be favorably reported calling for nearly \$1,000,000,000 to be expended within the next four years in the construction of war vessels. In my opinion the passage of this measure will have a disturbing effect throughout the world; it is calculated to interfere with the efforts now being made at the Geneva conference to limit naval armaments and promote cooperation among the nations in the interest of peace. I confess to a lack of understanding of the psychology of Senators and others who at this rather critical period in the history of the world demand the passage of a measure which will wring from the burdened taxpayers of the United States \$1,000,000,000, in addition to the almost unbearable burdens now resting upon them, to be expended between now and 1936, for the construction of vessels of war.

The introduction of this bill has produced disquietude in the minds of peoples in other nations, and they have been led to wonder why the United States, with its unchallenged material supremacy and its invulnerability to attack, in advance of the report of the disarmament conference now in session at Geneva, should manifest, as they believe, a spirit hostile to the adoption of plans that will eventuate in world disarmament. We invite world criticism by measures of this kind, particularly in view of the fact that the United States not only signed the Kellogg-Briand pact in which there was a renunciation of war as an instrument of national policy, and a solemn pledge to settle all disputes by pacific means, but was, in association with France, the originator of such policy.

In all parts of the world there is economic distress, and poverty and want have laid their cruel hands upon millions. Men everywhere are seeking employment; they want peace and opportunity to labor and to contribute to world prosperity. It is true that there are animosities and rivalries that disturb and divide; there are teachers and preachers of a narrow bigoted nationalism whose influence is an obstacle to national peace and international good will and understanding; but the voice of the overwhelming majority of the people everywhere is for peace.

It has been said that political governments can not be trusted to preserve peace, and that the people alone can destroy the evil forces that produce discord and war. This Government is in a position—as I have often said—to assume world initiative in all great moral and spiritual movements. Certainly it is in a position to aid in bringing about economic revival and in lifting the world from the gloom and depression which everywhere exist. But unfortunately our Nation does not seize the opportunity within its grasp, and drifts, as other nations are drifting, apparently without an objective. There are unorganized moral, progressive, and humanitarian forces sufficient to integrate society and exorcise from the minds of men the fears and despair by which they are bound. Never before was the world in greater need of leaders. Peoples are bewildered, and their bewilderment produces fear and distrust and, in some instances, anger and animosity.

The people are still suffering from the shock of the World War. Its horrors are still before them as a frightful specter. They are oppressed by the burdens which the war has imposed, and bowed beneath debts, national and international, they seek amelioration from physical as well as mental troubles confronting them. They have learned of the treaties that were negotiated pledging the signatories thereto

to the settlement of all controversies without resort to war; they read in the Versailles treaty and other international conventions that nations solemnly declared for disarmament, for the abolition of war. They believed that a new day had dawned and that humanity was to be relieved of military burdens and would no longer be required to fight fruitless battles. I repeat that the world is looking for leadership—men who have vision and understanding and who perceive that if war is to continue among nations, civilization, if not destroyed, will be arrested in its progress.

Mr. President, it seems to me that conditions in our own country, as well as throughout the world, demand that, instead of considering measures such as the one before us, there should be a consideration of plans and policies for economic rehabilitation and for international cooperation. Instead of wringing from the people of the United States \$1,000,000,000 for war vessels, we should be devising plans to provide for unemployment, to secure the revival of business and industry, to increase international trade, and to promote fellowship and cooperation among all peoples. We should be strengthening the hands of our delegates who are attending the Geneva disarmament conference; we should be insisting that they should support every proposition looking to the reduction of armament and the relief of the world from military burdens. While our delegates are presumably seeking to bring about world disarmament, we devote our energies to secure legislation calling for \$1,000,000,000 for new naval construction and also to secure the passage of Army and Navy bills which call for approximately \$800,000,000 more to be expended during the next fiscal year to meet the ordinary expenses of the Army and the Navy.

But the Senator from Maine contends that there is nothing in the bill before us which compels the commencement or the actual construction of the war vessels authorized by the measure before us, and in the report which he submits states that the enactment of this measure into law will have a "stabilizing effect on world affairs." How it will stabilize world affairs it is difficult to conjecture. Undoubtedly it will arouse fears and apprehensions upon the part of other governments and afford arguments for the militarists who are fighting for larger appropriations. Instead of stabilizing conditions, it will, in my opinion, still further tend to unsettle conditions and to provoke further discontent and arouse fears and resentments which will constitute impediments and obstacles to peace and international cooperation.

Mr. McKELLAR. Mr. President—

Mr. KING. I yield.

Mr. McKELLAR. While this bill does not provide for naval construction for this year, unquestionably it will set wheels in motion for large appropriations next year for the purpose of carrying out the program. Otherwise it would not be introduced.

What I want to ask the Senator is, What does the chairman of the Naval Affairs Committee say about this recommendation of the President yesterday?

Such a program—

The one he has just suggested—

to accomplish its purpose must embrace the rejection of all measures that increase expenditures unless they be for undoubted emergency.

Is it claimed that to prepare for appropriations next year is an "undoubted emergency" at this time?

Mr. KING. Mr. President, before replying to the Senator, may I say that the Finance Committee, of which I am a member, have been wrestling for days with the pressing problem of obtaining revenues to meet the expenses of the Government. It is imperative that revenues be obtained to meet governmental expenditures. Unfortunately, during the past few years the expenses of the Government have been in excess of revenues. A deficit unprecedented in any country in peace times, of \$3,000,000,000, confronts our Government for the fiscal year ending June 30, 1932. We can not continue in this profligate course. I criticize the party in power for the extravagant appropriations which have been made and the enormous obligations which have been contracted. There must be economies introduced and re-

forms effectuated or the Government's financial condition will be disastrously affected.

Unfortunately the people are demanding larger appropriations from Congress, and I fear that we are yielding to improper demands, thus adding to the difficulties of the Government and, of course, augmenting the burdens which the taxpayers will be compelled to meet. It is apparent that governmental expenses are entirely too great; that too many bureaus and executive agencies and commissions have been created, and that the personnel of the Federal Government is entirely too large. There must be drastic cuts in Federal appropriations, and the executive departments must materially modify their policies and activities. The expenditures of the Government can not be justified, the executive departments have been extravagant and wasteful, and Congress has too readily responded to the demands for appropriations for projects and activities that can not be defended. As stated, the Finance Committee is attempting to discover sources from which revenue may be obtained in order to balance the Budget. Undoubtedly any bill which it reports will bear oppressively upon the people, but revenues must be obtained to meet legitimate expenditures and Congress must deny the demands of executive departments, and cut the Federal expenses at least \$600,000,000 below the Budget recommendations of the President submitted in December last year. Appropriations for the Army and Navy for the next fiscal year should be reduced at least \$150,000,000 below Budget estimates. There are many bureaus, commissions, and Federal agencies that should be abolished, including the Classification Board, and the adjustment of salaries upon a sound and fair basis should be effected. Federal expenses can be reduced five or six hundred million dollars with no disadvantage to the public service.

However, "organized minorities" stand in the way of these reforms. The President of the United States yesterday vigorously condemned the activities of these organizations. There are hundreds and, indeed, thousands of letters and telegrams daily received from Federal employees and various organizations protesting against plans that are being considered for the reduction of Government expenses and for the purpose of effecting reforms imperatively needed in executive departments. No one can justify the number of employees whose names appear upon the Federal rolls nor the expenditure of more than \$1,200,000,000 to meet the salaries of Federal employees. There is much criticism of Federal bureaucracy, but apparently not sufficient courage to remedy the situation. Our attention has been called to the fact that the expenses of the Federal Government and the States and their political subdivisions for the present fiscal year will be between thirteen and fifteen billion dollars. This is a burden that the people ought not to be compelled to bear. It is one which justifies them in compelling reforms in our governmental practices. The President in a recent address delivered at Richmond stated that 20 per cent of the entire earnings of the people of the United States will be consumed this fiscal year in meeting expenses of the National, State, and municipal governments. Twenty per cent of all the earnings of all the people of the United States taken from them by the strong arm of the law to meet governmental expenses can not be defended. A recent writer shows that the wealth of the United States to-day does not exceed \$150,000,000,000.

In estimating the wealth, however, he does not include debts and obligation, but he considers the value of the buildings and the farms and the mines and the tangible things. As a matter of fact, the debts and obligations of the Federal, State, and municipal governments and corporations and individuals total nearly \$150,000,000,000. Indeed, I have seen statements showing a larger indebtedness resting upon the American people; yet, in the face of these stupendous obligations which are obstacles to economic revival, the Senator from Maine and other Senators are now demanding an authorization to expend \$1,000,000,000 before the end of 1936 for more war vessels. We are struggling now to find means to meet expenses; to provide for unemployment; to save

banks, business enterprises, and the farmers; and yet a militaristic hand is laid upon us and a demand made for the immediate passage of the bill presented by the Senator from Maine. I warn Senators that sooner or later we will have a taxpayers' strike—a people's strike—against the exactions of Federal, State, and municipal governments and against the demands which are made for the support of our military system.

It is true, as the Senator from Maine has said, that this bill does not directly appropriate \$1,000,000,000, but he knows, as all Senators know, that an authorization is promptly followed by an appropriation. Indeed, appropriation committees regard an authorization as a command to include in appropriation measures the amount authorized to be appropriated. Why does the Senator demand the passage of this bill unless he expects an appropriation for the construction of the war vessels provided for? This bill is not a gesture; it is not an idle statement—it is a solemn, specific authorization or requirement that the Appropriations Committees of the House and the Senate provide the amount called for in the bill.

The Senator from Maine is an advocate of a strong and powerful navy. I do not doubt his sincerity. He believes that the United States should have the most powerful navy in the world, and he frequently states that our Navy has so deteriorated that it now occupies a second or third place. He seems to fear an invasion; that our country is liable to be successfully attacked by some other country; and for years he has been urging larger appropriations for the Navy and stupendous sums for more naval craft. There is no emergency that requires the passage of this bill. It is fostered by navalists and agencies that are tainted with a form of militarism hostile to the Kellogg-Briand pact and in opposition to the efforts for disarmament and world peace.

Mr. President, the people are praying for work, for bread, for relief, not for larger appropriations for the Army and the Navy. They are not suffering from a military or naval complex; they are concerned in meeting their daily wants and in satisfying their hunger and in providing shelter for themselves and their families.

Mr. COSTIGAN. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER (Mr. VANDENBERG in the chair). Does the Senator from Utah yield to the Senator from Colorado?

Mr. KING. I yield.

Mr. COSTIGAN. May I ask the Senator whether he has placed in the RECORD any figures indicating the cost of battleships to taxpayers?

Mr. KING. Constructed now or in the past?

Mr. COSTIGAN. Constructed at the present time.

Mr. KING. The United States has not laid down the keel of any capital ship since the limitation of arms conference in 1922, although it has expended large sums on the so-called "modernization" of most of our battleships. The cost of battleships has varied. My recollection is that the battleships projected under the 1916 program were to cost from forty to fifty million dollars each. There have been some battleships, including armament, that cost \$50,000,000; and I recall that when there was discussion as to the cost of battleships or battle cruisers of a larger tonnage than those we now have, it was stated that the cost might be as much as \$75,000,000. I have no doubt that a 35,000-ton battleship fully armed and equipped constructed to-day would cost approximately \$50,000,000.

Mr. COSTIGAN. Is it not also true that the average cost of a battleship during the period of service through reconditioning and otherwise aggregates approximately \$250,000,000?

Mr. KING. Mr. President, it is difficult to answer the Senator's question. I do not know all the factors that he includes. Substantially all of our battleships have been materially changed since construction. Their guns have been elevated, their deck protection has been strengthened, and so-called "blisters or sheaths" have been added. Their

engines have been overhauled, and numerous changes and modifications made at enormous cost. At the last session of Congress we appropriated \$30,000,000 to provide, as I recall, for the elevation of the guns of three of our battleships. Not only is the cost of battleships very great, but the repairs, changes, and modifications require stupendous appropriations. The cost of maintaining our navy yards is a heavy burden. Docks have to be prepared and the cost of their construction and maintenance is no small item. The cost of furnishing oil for our battleships is a large item. Then there are the officers and men employed upon the ships, some of which carry 2,000 officers and sailors. During the life of a battleship, taking into account the items referred to, the cost of a battleship would perhaps reach the figures indicated by the Senator.

In speaking of the life of battleships, the Senator will recall that at the London conference a year ago Premier MacDonald, Dino Grandi, and Premier Briand signified their desire to abolish battleships. They also expressed a wish to limit the tonnage, if no plan for their abolition was agreed upon, to 25,000 tons, the present limit being 35,000 tons, and to prolong the life of the ships to 25 years or more. Unfortunately our representatives refused to even consider these propositions. They seemed to be intent only upon discussing cruisers or submarines. The battleships were too sacred to be touched.

Mr. COSTIGAN. Will the Senator yield further?

Mr. KING. I yield.

Mr. COSTIGAN. Some years ago it was stated rather dramatically, I do not know how accurately, but apparently on responsible authority, that the cost to taxpayers of firing a single shell from the higher-range guns of battleships is the equivalent of the cost to consumers of 20,000 loaves of bread. Has the Senator any figures with reference to such expenditures?

Mr. KING. I have not, but I recall seeing figures somewhat along the line indicated by the Senator, and I have no doubt that the cost of firing a single shot would be about \$1,000, to say nothing of the antecedent expenses, which must be taken into account in determining the ultimate cost.

Mr. COSTIGAN. That is even true of the expense of practice shots?

Mr. KING. I think that is correct. The cost of constructing, maintaining and operating capital ships has increased since the day when Lord Fisher evolved the type which subsequently was followed by the United States and Germany. One need only compare the most powerful naval craft of 25 and 30 years ago with our capital ships of the *West Virginia* type to understand the reason for the enormous increase in cost of construction and operation.

I referred a few moments ago to the treaty of Versailles, which declares that the disarmament of Germany was exacted "in order to render possible the initiation of a general limitation of the armaments of all nations." While the United States did not ratify the Versailles treaty, nevertheless the President of the United States was active in having incorporated therein provisions calling for a reduction in armament, with a view to the ultimate settlement of all controversies by peaceable means rather than by the sword. The treaty declares that—

The requirements in regard to German armaments were not made solely with the object of rendering it impossible for Germany to resume her policy of military aggression. They are also the first steps toward that general reduction and limitation which they seek to bring about as one of the most fruitful preventives of war, and which it will be one of the first duties of the League of Nations to promote.

The covenant of the league provided that plans should be drawn for the reduction of armaments, as it was recognized that "the maintenance of peace requires the reduction of national armaments." Notwithstanding these solemn declarations and the mountain of debt piled upon the nations as the result of the war, we still find our Government appropriating between \$700,000,000 and \$800,000,000 annually for the ordinary expenses of the Army and Navy, and the measure now before us calls for, as I have indicated, a billion dollars additional.

General Pershing has stated in substance that the lessons of the war should convince anybody of the danger of nations "striding up and down the earth armed to the teeth," and he adds:

Isn't it, then, time for an awakening among enlightened peoples to the end that the leading powers may reach some rational agreement which would not only relieve the world of this terrible financial load but which in itself would be a long step toward the prevention of war?

Mr. President, the address delivered by President Hoover on the 4th of last May before the International Chamber of Commerce met with universal approval. He there stated:

Vast armament continues not only a burden upon the economic recuperation of the world, but, of even more consequence, the constant threats and fears which arise from it are a serious contribution to all forms of instability, whether social, political, or economic.

I commend these words of the Commander in Chief of our Army and Navy to the Senator from Maine, as well as to the militarists in the United States. The President in the same address said:

* * * The destruction of life and property, the great tax burdens, and the social and political instability which resulted from the Great War have had large responsibility in the origins of the present depression. * * * Of all proposals for the economic rehabilitation of the world, I know of none which compares in necessity or importance with the successful result of that conference. * * *

It is not inopportune, Mr. President, to call attention to the armaments truce which was accepted by 56 nations, including all the great powers. This truce went into effect November 16, 1931, and was to continue for one year from that date. Upon a former occasion I invited the attention of the Senate to the terms of this truce, but I think it is so important, and so pertinent to the matter under discussion, that I again bring it to the Senate's attention. It is declared in this document to which the United States assented that there is a crisis which creates a profound disturbance among the nations of the world, in part due to the lack of mutual confidence, "and that a renewal of the competition in armaments would necessarily lead to an international and social catastrophe."

I should have added that the truce originated with the Assembly of the League of Nations. Following the preamble the assembly address a solemn appeal to all those who are desirous that practical effect should be given to the principles of peace and justice upon which the covenant is based and urge—

Them to devote all their efforts toward creating a world opinion strong enough to enable the general disarmament conference to achieve positive results, including in particular a gradual reduction of armaments, to be continued until such time as the object laid down in article 8 of the covenant is attained.

The address further states that an undertaking on the part of all States—

Not to increase their armaments would help to create an atmosphere of confidence, to prevent competition in armaments, and to prepare the ground for the success of the forthcoming conference.

A request was made that the governments invited to the disarmament conference should prepare for the event by means of an armaments truce. Accordingly the council was requested to urge the—

Governments to give proof of their earnest desire for the successful issue of the efforts to insure and organize peace—

And—

* * * to refrain from any measure involving an increase in their armaments and to ask the Governments to state, before November 1, 1931, whether they are prepared for a period of one year from that date to accept this truce in armaments.

I insist that the spirit and, indeed, the letter of this truce, if the bill urged by the Senator from Maine becomes a law, will be violated by our Government. Certainly this important agreement contemplated that nothing should be done by those who were signatories to the same that would "involve an increase in armaments." Does not this bill involve an increase in armaments? Does it not mean a renewal of the "competition in armaments," for the prevention of

which for a period of one year the truce was intended? One of the purposes of the truce was to afford one year at least to "organize the nations for peace" and to prepare them for disarmament. I repeat, Mr. President, that this bill is equivalent to a contemptuous disregard of the truce and ought to be defeated.

Mr. President, apropos the statements of President Hoover, I invite attention to the action of the National Grange at its national convention held at Madison, Wis., last November. It demanded:

* * * A drastic reduction in land, naval, and air armaments and progressive reductions of military budgets until all armies of the world are reduced to the status of police forces.

I might add that its committee on foreign relations reaffirmed its support of adherence to the World Court, with proper reservations, and urged the grange as an organization to do everything possible to further the success of the 1932 disarmament conference.

The National Farmers' Union, at its convention in Des Moines, Iowa, during the same month, declared—

* * * that the present world depression makes immediate cut in armament expenditures imperative to lessen the disastrous tax burdens.

It also urged—

* * * the actual reduction of all armaments on land, sea, and air, with reduction and limitation of armament expenditure and the establishment of a permanent disarmament commission.

It also declared that the United States would have a decisive influence on the approaching world conference. I hope that this may be true.

I am told that at a Rotary international convention held in Vienna in June of last year 67 countries were represented, and that a resolution was adopted in which it was declared that—

The maintenance of armaments at their present level was viewed with profound disquiet and as an ultimate threat to the peace of the world and to the incitement to war.

It was further resolved that every possible step should be taken to insure that the disarmament conference now in session—

Shall succeed in bringing about a really substantial reduction in the armaments of the world.

There are accumulating evidences that the desire for disarmament and world peace is universal, and that the intellectuals, so called, are conspicuous in their demands for world disarmament.

I recall that the Under Secretary of State, Mr. Castle, in an address delivered at Indianapolis, Ind., several months ago, declared—

* * * That the nations are beginning more clearly to realize that war to-day means defeat for all participants. It means defeat, because it means sooner or later a world-wide economic depression such as we have at the present time. * * *

It seems madness for the world to regard war as inevitable and as a part of national and international policies. As peoples and nations march toward the summit of civilization, law and order supersede force, violence, and war. Municipal law prevails among civilized nations, and courts and instrumentalities of peace settle controversies between individuals and communities. The peoples of the world, by reason of modern developments, are neighbors. Invisible boundary lines mark the jurisdiction and the limits of nations, but they do not prove a barrier to friendly cooperation between their respective inhabitants. Jurists of international fame are engaged in the codification of international law and in adapting it to civilized peoples. The great work of Grotius is being added to, and it is inevitable that a just and humane international jurisprudence will obtain throughout the world.

The deplorable economic conditions prevailing in this and other countries supply irrefutable arguments in favor of intergovernmental cooperation and world fellowship. If billions of dollars are annually appropriated for preparations for war, it is obvious that the return of prosperity will be indefinitely postponed. The burdens of militarism hang like a millstone around this and other nations, and the la-

bors of the people are largely devoted to meeting the present military expenditures and the burdens which war have entailed upon them. Various estimates have been made by publicists and economists as to the world indebtedness. By some it is estimated to be several hundred billions of dollars. I have seen many statements to the effect that the World War cost more than \$200,000,000,000; but the costs of the World War have not yet been paid, and generations will pass before they are liquidated. Many years will elapse before the United States will have discharged the monetary obligations which will be imposed upon it. Within the next 50 years the United States will, in my opinion, be called upon to pay \$100,000,000,000 on account of the World War. Already approximately \$6,330,000,000 have been appropriated for ex-service men, and there are manifold evidences that larger annual appropriations will be made in the future until, as I have indicated, the stupendous sum of \$100,000,000,000 will have been expended to meet pensions, compensation, hospitalization, and so forth, as a result of our military adventure into the World War.

Between 1788 and 1929 the cost to the United States of wars and the war system was approximately \$65,000,000,000. There are figures indicating that there have been expended by our Government in consequence of the World War up to June 30, 1930, more than \$38,000,000,000. This does not include, of course, indirect costs, the aggregate of which it is almost impossible to determine. A very large part of our annual Budget is the result of past wars and of military preparations for the present and the future.

Military expenses have materially increased since the World War, and between 1858 and 1914 there was a large increase in the military expenses of the world. The total expenditure of Great Britain for military purposes in 1858 was \$110,000,000; and in 1913, \$385,000,000. Military expenses of the United States in 1858 amounted to but \$39,000,000, and in 1913 they were \$335,000,000. Between the dates referred to France increased her expenditures for like purposes from \$35,000,000 to \$410,000,000, Germany from \$25,000,000 to \$500,000,000, and Russia from \$95,000,000 to \$460,000,000.

The claim is now made by many that the military expenditures of all nations approximate \$5,000,000,000 per annum, a sum vastly in excess of the expenditures for defense prior to the World War. The great powers expended five times as much on armaments in 1913 as they did in 1858. But, notwithstanding these enormous outlays, peace did not come to the world. As one nation increased its expenditures, ostensibly for defense, other nations felt compelled to augment their expenditures, all in the name of "national defense." The contention that the maintenance of large armies and navies for national defense prevents war is refuted by the history of all nations. Military preparations, the building of war vessels, and the mobilizing of land forces have always aroused distrust and fears which culminated in wars.

If nations desire peace, their objective will not be attained by imposing heavy burdens upon the people for so-called military preparedness. Peace will not be secured by preparations for war; and if the United States desires to promote the cause of peace, it can furnish convincing proof which will influence the world by limiting appropriations for military purposes and exerting its influence with other nations to bring about disarmament and to give to the Kellogg-Briand pact a vitality of which it will be deprived if this and other countries, ignoring the letter and spirit of that solemn declaration, devote so large a portion of their revenues for the building of naval vessels and the arming of land forces.

The United States in 1914 expended less than \$340,000,000 for the Army and Navy. In 1929 we appropriated nearly \$467,000,000 for the War Department and nearly \$395,000,000 for the Navy Department, or a total of \$861,525,675. For 1930 we appropriated more than \$840,000,000 for the Army and Navy, and for 1931 my recollection is that the appropriation for these two departments was substantially

the same. Great Britain appropriated in 1930 for military purposes \$535,000,000. As Senators know, the responsibility rests upon Great Britain of protecting her far-flung dominions as well as the British Isles. The military budget of France for 1930 was \$455,000,000, and Japan's military expenditures were \$232,000,000.

It is obvious that the time has come for an international conference to adopt a concrete plan for the reduction of military burdens of the world. It is not too much to say that the eyes of all nations are turned to Geneva, as representatives of many nations are seeking to discover a formula which will be acceptable and result in material reductions in the military expenses of all nations. On the 29th of June, 1931, Premier MacDonald in the House of Commons delivered an important address upon the question of world disarmament. He called attention to the expenditures of a number of nations for military purposes before and since the World War. He stated that the naval expenses of Great Britain in 1914 were £51,500,000 and in 1930, £52,400,000; that the United States expended on its Navy in 1930, £78,000,000; and Japan in 1914 expended £8,500,000 on its navy, and in 1930, £26,000,000. He stated that in 1914 the British Commonwealth possessed 89 capital ships and to-day but 15; that the number of cruisers had been materially decreased since 1914, and its submarines were far less than they were in 1914. He made an appeal to other nations for a reduction in armaments, and said:

The peace securities of Europe, we have believed, can be weakened by armaments, but there is a corollary to that, that unless the disarmament conference of next year is going to put an end to those expansions which have been so evident in the figures that I have quoted, a declaration is going to be made that disarmament is a failure and that nations are being doomed to tread the old ruts, which have always ended in battles, in ill will, and, cynically, above everything, in a treaty of peace that demands war and war in order to strengthen it. * * *

If we are to believe the statement of this distinguished statesman, we must look with deep concern upon the work of the Geneva conference. If it should fail, it would be a catastrophe the consequences of which can not be foreseen. We all know, however, that unless the nations of the world come together with a desire for peace, with a determination to reduce armaments, and carry into execution that will, by the adoption of a concrete plan, the world will be asking for further exactions for military purposes, the consequences of which will be to bring nearer to the peoples of the world the horrors and devastations of war. It seems incredible that with the exhausted condition of the world, with millions of men out of employment, with tens of millions without sufficient nourishment, with poverty and despair invading every land and entering millions of homes, that men and women can look with indifference upon the work of the Geneva conference; yet in the face of this situation the Senator from Maine urges the passage of a bill authorizing \$1,000,000,000 for naval war vessels. The Senate indicates its approval of the same and the voices of many citizens and powerful newspapers are raised in support of this measure. In every part of our land there should be gatherings of patriotic American citizens demanding that the Kellogg-Briand pact shall not be disregarded and that our Government shall employ every honorable means to crown with success the conference now being held at Geneva. The toilers of the world should unite in an irresistible demand that the Geneva conference shall not fail but shall agree upon a plan that will accomplish the desired result.

I confess to keen disappointment at the reports which come from the conference. The able Senator from Idaho yesterday stated that it was already a failure. I may say that I am not satisfied with the part played by the American delegates. It seems to me that the voices of admirals and military men have been too powerful; that there have been too much fencing and equivocation and striving for advantage. There has been lacking that generous spirit that should characterize a conference, perhaps more important than any that has ever been convened for the consideration of measures promotive of international peace. The confer-

ence has been dominated by so-called experts, by admirals, and men who have devoted their lives to the study of war and the military problems that war presents.

The chances of a successful issue at the conference would be increased if all experts were dismissed.

Let me quote again from the address of Mr. MacDonald:

The pact of Paris, for instance, eliminates war from our diplomacy. It does not seem to eliminate arms. I am sure that is only an oversight; and when the logical and practical discrepancy is pointed out effectively, the oversight will be admitted by everybody. But still we have to keep our eye upon the oversight. There are certain great forces that we are up against. There is a self-regarding nationalism expressing its nationalist spirit in an exclusive economic policy. There is the nature of peace and there is the problem, the most difficult and intricate of all problems, how you are to readjust not by force, not by will, not by guile of any kind whatever, but by just allowing ordinary natural processes—I know that word is a very indefinite one, but the handling must also be indefinite—how we are to enable a readjustment of a continent settled by force to be made into one settled and enjoying natural relationships. That is one of the most difficult, intricate, and dangerous problems that any generation can have to face. The transition is bound to be marked by apprehension; and when movements are made of the most simple common sense, they are bound to arouse fears.

He further added that he hoped that an agreement would result from the conference that would strengthen and increase the political security of the world and result in a "complete agreement and most friendly relations between all the nations of the world."

Ex-Prime Minister Stanley Baldwin followed the Prime Minister and heartily approved his statements. Speaking of France, he said:

I think that where people make a great mistake is in the psychology of the French people. I think, if I read it aright, I would say that to-day and for many years past the French people as a people are as peace loving and domestic a people as exists in Europe to-day.

He then referred to the Napoleonic wars which "bled white the nation." He referred to the League of Nations and stated—

It is the one medium to-day which brings together the public men, the responsible public men, in the countries of Europe and of the world, and everything that brings them together and gets them into the habit of discussing instead of into the habit of shooting notes at each other through their respective foreign offices is all to the good.

We all realize, of course, that the French thesis is that for the want of an adequate organization of the world for the security of nations, particularly France, alliances are necessary for our protection. France favored the treaty of mutual guaranties and the Geneva protocol in 1924, but they have not become effective. Great Britain, notwithstanding her world-wide possessions, might be said to head the disarmament school and, while recognizing that there is much merit in the security thesis of France, contends that good will among nations is perhaps more important. Great Britain and other nations contend that great armaments foster the feeling of insecurity and are provocative of war. But I think all schools support the view that the expectation of war breeds arms and arms breed war.

Mr. President, within a few days there will be submitted for our consideration two measures carrying in the aggregate more than \$700,000,000 for the ordinary expenses of our military and naval forces for the coming fiscal year. Measures of this kind calling for an amount so stupendous can not be otherwise than disquieting throughout the world. No nation in the world presents as large a budget for military purposes as that submitted by the executive department of our Government. France, which is charged by many as being militaristic, will have a military and naval budget more than \$200,000,000 less than that which Congress will be asked to approve. In my opinion, we will appropriate for the next fiscal year at least \$200,000,000 more for the Army and the Navy than will be appropriated by any nation on earth. I submit there is no justification for a military budget of such enormous proportions. I have heretofore said in discussing appropriation bills that the United States was the most powerful Nation in the world, that no nation could or would attack it, and that if it con-

tinued these large military expenditures other nations would become apprehensive and feel constrained to adopt naval and military policies which otherwise would not receive their approval.

It seems to me that some people are still under the spell of war. The smoke of battle is still in their eyes and they refuse to perceive that a new day has dawned and that men everywhere are struggling to emancipate themselves from reactionary chains, and to attain higher levels where they may breathe the pure air of peace and enjoy a broader and truer vision of the purposes and objects of life and the forces that should govern in the affairs of men and nations.

There is in Europe an elevated spot where three countries meet. Looking from this elevation one can see far in the distance, hills and valleys over which and in which mighty armies struggled and brave men fought and died. May this Nation and other countries meet, if not physically, in spirit and thought, and from an exalted point perceive the struggling and heavy-laden peoples of the world who are seeking to gain the uplands where they hope justice and peace may reign.

I referred a moment ago to the Geneva conference and to the statement of the Senator from Idaho that it had already failed. Mr. President, I shall be guilty of repetition when I say that if it should fail it would be because of military and reactionary forces, and such failure would be a setback to the liberal, progressive, and moral forces that are marching forward to conquer the world. We remember that petitions signed by millions of people were presented at the opening of the Geneva conference, in which hopes and prayers were expressed for its success. Shall these prayers and petitions be in vain? I fear that our delegates have not taken the position of leadership which the situation demands. The press reports that one of our distinguished delegates, while urging the abolition of submarines, expressed violent opposition to the suggestion that battleships be abolished. It has been reported that our delegates spent much time talking about poison gases and tanks and matters not of the highest importance. I confess that the reports brought to us afford the Senator from Idaho grounds upon which to base the conclusion which he expressed. If the conference fails, I fear that our Government will not be free from responsibility for such failure.

Senators will remember that at the ill-fated London conference our Government refused to even discuss the question of submarines or capital ships. Upon several occasions during the London naval conference Great Britain indicated its desire to consider the question of eliminating battleships from the fleets of the world. In an address which I delivered in the Senate a year ago when the naval bill was under consideration, I charged that our Government had interposed obstacles to the success of the conference. I showed that MacDonald, for Great Britain, and Grandi, speaking for Italy, and representatives of France had signified their desire to take up for consideration the capital-ship problem. Japan, while not taking an active position, indicated that she was not averse to a consideration of this question. But our representatives, acting, of course, under the direction of the President and the State Department, declined to meet the representatives of other countries for a discussion of submarines and capital ships. Our naval officers and so-called naval strategists and experts have tenaciously clung to the capital ship and refuse to consider any proposition looking toward its reduction in size or its abolishment.

Admiral Sims has repeatedly declared that the development of submarines and torpedo boats and aircraft has reduced the importance of the capital ship as an offensive or defensive instrumentality. The views expressed by him are entertained by some of the leading naval authorities of Great Britain. Sir Herbert Richmond, a naval officer of distinction and ability, earnestly advocates the abolition of battleships of over 10,000 tons. Our Government, notwithstanding the declarations of responsible officers that in the reduction of armaments no nation could go farther than the United States, has refused to consider propositions submitted by other nations calling for a limitation in the size of bat-

tialships or a prolongation of their service or for their abolition.

Mr. President, it is not infrequently charged that the Italian Government has been an obstacle to disarmament and has been animated by a militaristic spirit. The position taken by Mussolini and M. Dino Grandi, the Italian representative at the London, as well as the Geneva conference, is at variance with these statements. At the second plenary meeting of the twelfth ordinary session of the assembly of the League of Nations, on September 8, 1931, Grandi stated, speaking for Italy, that:

• • • Disarmament and arbitration, the rejection of all solutions based on force, and the relative equalizing of the military strength of states at the lowest possible level—that is not just a theory or dogmatic assertion. It lies at the root of the system which the league covenant has evolved with a view to the reduction of armaments; it corresponds essentially to real and pressing demands. Indeed, there is no problem of security distinct from disarmament and arbitration. • • •

He referred to the period preceeding the war and later to the principle of conciliation and arbitration, the establishment of the The Hague Tribunal and treaties based on the same principle as against the policy of armaments, and then added:

When we look back on those tragic happenings, we can hardly be surprised that our nations, which have barely emerged from a war the consequence of which are still crippling them, should refuse to regard international justice as an adequate safeguard for the future.

Nor can we be surprised if the nations ask that international justice shall be safeguarded from the dangers attendant upon a policy of armaments. The covenant imposes upon us the duty of disarming, but the covenant does not possess the only claim to our consideration; there exist other claims, vaster still.

For the last 20 years Europe has been in a permanent state of unrest. Wars and revolutions have succeeded one another, the deaths must be reckoned in millions, national systems of economy have been overturned, and the working classes are without employment.

Our civilization has been periodically saved in different directions by the genius of a few men, and by the power of resistance and the spirit of sacrifice of the peoples, but the time has come to make a collective and concrete effort in the defense of our common heritage.

We have had further proof during the last few months of the need for closer cooperation between nations, and—what is more important—there has been cooperation between the nations which only a short time ago were in armed conflict with one another. They have settled their differences and decided to cooperate in the defense of our common civilization.

Fresh possibilities have been opened up by the negotiations between those countries, which do not differ in any respect from those envisaged by the league. All these means lead to the same common goal. In any case, work is being done, ideas are being clarified and—let us be frank—the interests served by international solidarity are being proclaimed and defined. Our business now is to organize, to safeguard and to clear the way, and that we can not do so long as our efforts at collective organization are paralyzed by the race for armaments.

He then gives utterance to this important declaration:

In my government's view, disarmament is the starting point of many things; the putting into execution of the system of security and peace created by the covenant, the establishment of greater confidence between States, and the reestablishment of laws of economic integration which have suffered such ruthless violation.

That is the most urgent item in the league's program; that is the task most closely in keeping with the league's essential purpose.

The disarmament conference has been convened and will begin work on February 2. My observations may therefore appear superfluous; indeed, I hope that they will prove so. Naturally, they do not refer to the convening of the conference, but to the policy that may be adopted by the governments represented there, to the ideas they may bring to it, and to the methods they intend to follow. Now is the time for courage, moderation, and above all, common sense. Each one of us must realize the difficulties of the others, must state his own requirements frankly, limiting them to what is really essential, and must reduce his armaments to the lowest point consistent with national safety and the enforcement by common action of international obligations, within the meaning of article 8 of the covenant. • • •

In contrast with the reported position of our delegates to the Geneva conference I desire to call Senators' attention to statements made by a number of delegates representing other nations at the Geneva conference. I read from a publication known as *Völkerbund*, a journal of German League of Nations Union, under date of February 19, 1932.

It contains statements made by a number of the delegates at the conference.

Again M. Dino Grandi, representing Italy, submitted an advanced program, one which, if adopted, will crown the conference with success. He said:

• • • My country for its part is therefore ready to accept an organic plan of quantitative limitations comprising:

In respect of naval armaments:

1. The simultaneous abolition of capital ships and submarines.
2. The abolition of aircraft carriers.

In respect of land armaments:

1. The abolition of heavy artillery of all kinds.
2. The abolition of tanks of all kinds.

In respect of air armaments:

1. The abolition of bombing aircraft.

In general:

1. The abolition of all kinds of aggressive means of chemical and bacteriological warfare.
2. The revision of the laws of war so as to insure a more complete and effective protection of civilian populations.

I do not think it necessary to draw your attention to the fact that when once we have come to an agreement for the abolition of certain weapons of war which are the most powerful and the most deadly, we should not only have taken a great step forward in the direction of disarmament, but we should also be in a position to come more easily and more rapidly to an agreement on the quantitative reduction and limitation of other forms of armaments. • • •

Senators will observe that Italy's program included the abolition of capital ships and submarines as well as aircraft carriers. I regret that our delegates did not support this view.

• • • There is a common idea at the basis of peace treaties, and of which the covenant of the League of Nations affords a practical example of what disarmament should be in the spirit of the League of Nations and of the pact of Paris for the renunciation of war.

Those who desire disarmament look with extreme gratification upon this broad and comprehensive view of the Italian representative. It is regretted that our delegates did not challenge attention to the pact of Paris, which called for the renunciation of war and which contemplated as a step necessary to the realization of the purpose of the Kellogg-Briand pact the reduction of armaments to the lowest possible limit and the ultimate disarmament of all nations. He also added:

• • • We have more than once debated the theoretic question whether disarmament should precede security or security disarmament. We have discussed it for the past 10 years; and should we continue the debate during the whole course of our labors, we should inevitably engage in the path described as that of the sophistry of disarmament.

Let us then leave theories on one side and look facts in the face. The facts show that without disarmament there can be no security. Since the close of the war and since we undertook for the first time in a definite way to reduce armaments, armaments have been steadily increasing. To-day all countries are carrying a burden of military expenditures more crushing than that they had to bear immediately before the war. We are, I fear, on the slope leading to a new armaments race at the very time when we were elaborating legal instruments of security. • • •

Sir John Simon, speaking for Great Britain's delegation, declared in favor of a permanent disarmament commission, the abolition of gas and chemical warfare, and also the abolition of submarines. He also stated that his delegation was ready to cooperate in whatever methods are found most practicable for agreed reduction in the size of ships and of maximum gun caliber as well as in any practical application of the principle of prohibiting land guns above a certain caliber.

Japan was represented by distinguished delegates, among them M. Matsudaira, who, speaking for the delegation, said:

The Japanese delegation is in favor of adopting the draft convention as the foundation of the work of the conference.

It is in favor of reduction in the size of battleships and in the caliber of their guns. We would further propose the reduction in the assigned tonnage of the airplane carriers, since their functions would be of the most aggressive nature. We are prepared further to consider the possibility of their total abolition, together with the prohibition of equipping vessels with airplane-landing decks.

As to the proposals for the total abolition of the submarine, the view of Japan was clearly set forth at the time of the London conference. In short, it is this: That it is not so much in the original nature of the submarine to be inhuman as in its wanton

use. A surface craft would be just as inhuman according to its use. As to the use of the submarine a strict limitation was stipulated in the London naval treaty. It is our hope that all naval powers would find it possible to adhere to that declaration, and it is our conviction that an agreement as to a strict similar limitation on the use of all classes of war vessels should be come to. We entirely share the view of the American delegation regarding the prohibition of air bombardment, the use of poison gases, and bacteriological warfare.

M. Zulueta, the Spanish delegate, stated:

* * * Efforts to palliate the evil by attempting to humanize war will prove useless. I am doubtful as to the desirability of the attempts made to proscribe those arms which are called inhuman. We are distracting the conference from its real object, which is not to mitigate but to abolish war. * * *

M. Litvinov, delegate from the Soviet Government, submitted a statement that in my opinion should receive most serious consideration. Senators will recall that at the preliminary conference held about two years ago, called for the purpose of preparing a program for the Geneva conference, M. Litvinov submitted several propositions, one of which called for complete disarmament of all nations. This proposition was treated with contempt by the delegates. He submitted several others which ought to have received consideration. The treatment accorded this representative of the Soviet Government aroused considerable criticism in Russia and was used as a foundation for a rather extensive propaganda against capitalistic nations, the contention being that they were insincere in their avowals of a desire for world disarmament and were intent upon maintaining military forces to be used against the Soviet Government. At the Geneva conference M. Litvinov, speaking for the Soviet Government, submitted the following program as a contribution of his Government to a policy of world disarmament:

* * * The only infallible way to the solution of the problem of the organization of peace, the problem of the averting of war, the problem of assuring security to all nations, is general and total disarmament.

The idea of total disarmament is distinguished from all other plans by its simplicity and by the ease with which it could be carried out and with which its realization could be controlled. Identical security and equality of conditions for all countries could only be arrived at by means of total disarmament. The Soviet delegation has by no means come here merely to put before you yet another time its proposal for total and general disarmament, or to declare that we are determined to have complete disarmament or none at all. We have no illusions whatsoever as to the fate in store for our proposition. Our delegation is ready to discuss with you any proposals tending to reduce armaments; and the further such reduction goes, the more readily will the Soviet delegation take part in the work of the conference. Considering the draft convention drawn up by the preparatory commission altogether inadequate, the Soviet delegation will advocate here its own draft for the reduction of armaments, which, however, it regards merely as the first step toward total disarmament.

I would remind the conference that the Soviet delegation was the first to propose, in its second draft convention put before the preparatory commission, the complete destruction of the most aggressive types of armaments, including:

1. Tanks and superheavy long-range artillery.
2. Ships of upward of 10,000 tons displacement.
3. Naval artillery of over 12-inch caliber.
4. Aircraft carriers.
5. Military dirigibles.
6. Heavy bombing planes, all stock of air bombs, and any other means of destruction for use from airplanes.
7. All means and apparatus for chemical, incendiary, and bacteriological warfare.

The Soviet delegation proposed the complete prohibition of air bombing and not only beyond the limits of a definite area. It also proposed not merely to refrain from chemical warfare but actually from preparing for it in time of peace.

All these proposals remain in full force for the present conference.

I am empowered to declare here the readiness of the Soviet Union to disarm to the same extent and at the same rate to which the other powers may agree.

The delegates from other nations submitted plans for disarmament, but none were as liberal and advanced as those presented by the soviet representative and by the representative of Italy.

I confess that the address of Ambassador Gibson was disappointing to me, and the attitude of our delegates since then has, I fear, deprived the United States of the leadership which it should have assumed.

Not long ago the Navy League, which is an effective propagandist for a big Navy and for battleships, criticized the President, charging him with "abysmal ignorance" because he did not accept the views of the league and of admirals and the Navy Board. Mr. President, if Mr. Hoover adheres to the letter and spirit of the address which he delivered before the International Chamber of Commerce in advocacy of a reduction of armaments, and if he will direct our delegates at the Geneva conference to support a real and effective policy for disarmament, he will receive the support of an overwhelming majority of the American people in that position.

Mr. President, there are not a few militarists in the United States who are constantly demanding increased appropriations for the Army and the Navy. They visit all parts of the United States and avail themselves of every opportunity to urge the people to support measures calling for increased appropriations. The people are told that our country is in danger of invasion; that it is unprepared to meet lurking foes ready to make war upon our country. It is unfortunate that the people are beguiled or influenced by these representations.

There are too many living in the military atmosphere of the nineteenth century; too many followers of the naval philosophy of Admiral Mahan, who asserted that general armament is the road to peace. He argued that an organization of military strength is not provocative of war, and that the powerful armaments of Europe, though onerous, were nevertheless beneficial, "because that created mutual respect and caution, which were the alternative to devastating wars."

I do not think that his philosophy finds vindication in the events that have transpired during this or preceding centuries. Who can doubt that the military forces, both land and naval, of European powers, particularly Germany, led to the World War? This view postulates the triumph of material forces in life over those of a moral and ethical character. It denies the unifying power of religion; the civilizing force of cultural development, and the results of the progressive and democratic forces which, more and more, are manifesting themselves throughout the world. It rests upon the doctrine of the status quo; it ignores the profound philosophy of Spencer which recognizes the operation of evolutionary elements in the social and political life of nations. The multilateral pact of Paris; the meeting together of scores of nations to formulate plans for the betterment and advancement of all peoples; the manifestation of a broader spirit of internationalism; all these manifestations prophetic of important changes that are taking place among the peoples of the earth are ignored by the materialistic philosophy which is accepted by many in this and other lands.

I referred a few moments ago to the proposition made by M. Litvinov at a meeting of the preliminary commission when his plan was rejected—a plan that called for the dissolution of land, sea, and air forces; the destruction of weapons, of military supplies, and means of chemical warfare; the discontinuance of compulsory military training; the destruction of fortresses and naval air bases; the scrapping of war industrial plants and the abolition of military and naval air ministries.

The statement made by the President in March, 1929, I am afraid is being forgotten by our representatives at the Geneva conference, and it is also overlooked by the State Department and the President. In his inaugural address President Hoover stated that—

Peace can be promoted by the limitation of arms and by the creation of the instrumentalities for the peaceful settlement of controversies. I covet for this administration a record of having further contributed to advance the cause of peace.

But our Government and the military and naval authorities are enamored of the word "parity" and seek to apply it to all categories. They are governed too much by rampant nationalism and seem to follow the view that to carry on war is not the sole *raison d'être* of big armies and navies. When challenged to name the government that is our enemy and

contemplates making war upon us they insist that we must maintain a large Navy and military force because of the moral effect these armaments will have upon the world. In other words, they argue that a powerful military force will not only guard and protect our shores but will be a restraining influence upon other nations. This view postulates that the United States is a sort of world policeman and must stride throughout the world with club and gun in hand and awe smaller nations into a sullen submission. I am reminded of the statement of the Spanish writer and statesman Madariaga, who says:

It is not so much actually in order to shoot her guns at England that America wants cruisers, nor to defend her supplies from American cruisers that England is so particular about her superiority at sea—it is because naval preeminence means international prestige, preponderance in the counsels of the world, authority in troubled areas such as China; power to have one's way, political backing to financial economic and commercial penetration.

Undoubtedly this view still prevails among many—that a nation to have prestige and to play a large part in the world must possess great military strength. Our Navy Department has at times, with evident pride, amounting almost to pomposity, referred to the operations and activities of the Navy in carrying captains of industries from port to port and promoting trade and commerce.

The United States and Great Britain many years ago entered into the Rush-Bagot treaty which resulted in the destruction of all fortifications and prevented either country from erecting forts and maintaining any weapons of war along a boundary line extending from ocean to ocean. One passes across an invisible boundary from Canada to the United States and vice versa, and both countries are relieved of military burdens in guarding this invisible line. Why may not other nations invoke the same spirit of amity and good will; and why may not all nations, under the benign influence of this vitalizing and inspiring force, devote their energies to industrial and economic development—to cultural and spiritual growth—rather than to dissipate their resources and their energy in devising and constructing instrumentalities of war, devastation, and destruction?

A number of years ago Chile and the Argentine Republic ended their military conflicts and entered into a treaty of peace and amity. To signalize this important and epochal event, and as a pledge that their relations in the future would be governed by a spirit of peace and good will, they erected upon the heights of the Andes a magnificent statue of the Man of Peace. They did not select a great military or naval hero to commemorate the event or to solemnize the treaty of amity by which they were to be governed in the future. They found in the Savior of Mankind the most perfect symbol and the most majestic figure of which mankind had knowledge. Their act was a solemn renunciation of war—a dedication to the policies of peace.

Mr. President, I repeat that the passage of the bill under consideration will arouse fears and apprehensions as to our good faith and our desire for peace. We may avow our devotion to the cause of peace; our determination to engage in no imperialistic or military policy, but our avowals will be discounted and will fall upon deaf ears. I recall the words of Chief Justice Hughes before the American Society of International Law in April, 1927. He was referring to the naval program of 1916, which called for 16 capital ships and corresponding auxiliary craft at a cost of nearly a billion and a half dollars. I might add by way of parenthesis that the attempt to force through this program aroused much opposition in the United States, which, in part, was responsible for the limitation of arms conference of 1922. The words of Judge Hughes were as follows:

• • • Whatever the motive that inspired our naval program of 1916 it was clear, after the end of the war, that it was unnecessarily extensive and had become essentially provocative. • • • The question pressed, Against whom was it directed? Germany's naval power was destroyed. There were but two other great naval powers—Great Britain and Japan. It was natural for Japan to misinterpret the motives back of the continuance of our ambitious naval force. I am informed that, responsive to ours, Japan's naval expenditure, which was less than \$100,000,000 in 1917, had been increased to over \$270,000,000 in 1921.

It should have been obvious to the American people that a program of the character referred to would inspire fears and distrust in other countries. May we not look for the same reaction now that we are driving through a bill calling for \$1,000,000,000 for naval craft?

Mr. Bywater, in his work on Sea Power in the Pacific, refers to a discussion in the Japanese Diet when it became known that the United States was driving forward the 1916 naval program.

In reply to members of the Diet, representatives of the Government stated that the naval program was not prepared until they had information concerning the naval program of two other countries, one of which, of course, was the United States. In other words, the Japanese Government revised its naval plan and budget to meet the naval policy of the United States.

Mr. President, what justification is there for this bill? And what excuse is there for the United States appropriating, as the administration proposes that it shall appropriate, more than \$700,000,000 to meet the ordinary expenses of the Army and the Navy for the next fiscal year? Against whom are we arming; what foe do we fear; what nation is challenging us; what dangers confront us?

Mr. President, no one but a violent, unreasoning, "bello-fist" can have the temerity to name any nation which menaces our peace or contemplates invading our shores. The Latin American countries desire the friendship and good will of the United States. If they are alienated, it will be because of unwise policies pursued by this Republic. They acknowledge their indebtedness to the United States because of the protection accorded them, when, as revolting and struggling colonies, the Monroe doctrine was promulgated. They learned that the United States desired that they should have full opportunity for self-development and self-expression; that it had no imperialistic designs. When they established free and independent states they adopted, in part, some of the provisions of the fundamental laws of this Republic; they hoped to have a Pan American Union within which the fullest and freest opportunity for economic and political development might be realized. They desired that the channels of trade and commerce between their countries and the United States should not suffer from improper obstacles. The States of Latin America will be animated with a desire for friendly relation with the United States if this country pursues a wise and liberal policy, such as announced by Monroe and by American statesmen and leaders of public thought from his day until the present time.

When the United States entered the World War as a belligerent, substantially all Latin American governments cast their lot with this Republic. There is not a single American who will say that the United States has aught to fear from the people of Mexico or Central or South America. They are not building war vessels or constructing military machines; they desire peace and the good will of this and other nations.

On the Western Hemisphere we have no foe; within its boundaries there lurk no dangers to this Republic. Who dares say that Germany or France or Italy or any of the nations of Europe are projecting military or naval plans which have in view armed conflicts with this country. The smaller nations of Europe are practically disarmed. Norway, Sweden, Denmark, and Holland have neither armies nor navies. Spain has thrown off a monarchical form of government and seeks to establish a liberal and progressive Republic. Do we fear Portugal, Switzerland, Poland, or the Baltic States?

No Senator nor any person familiar with conditions in Germany will contend that we should build battleships and organize military forces for fear of German aggression. The German people have tasted the horrors of war, and with courage are trying to meet the economic and industrial problems that press for solution. They want work, bread, and the opportunity for peaceful development—not war and international conflicts. Under the treaty of Versailles their military and naval forces are restricted; and even if there were no restrictions, the present situation in Germany will

compel the German people to seek the economic and industrial rehabilitation of their fatherland. It is true they are dissatisfied with the terms of the Versailles treaty and will seek to modify the demands for reparations.

I have referred to the position taken by Italy at the Geneva conference and called attention to the plan for disarmament there suggested by M. Dino Grandi.

The Italian Government is giving many evidences of its pacific intentions and its desire to cooperate not only with European nations but with the civilized world in promoting trade and commerce and international peace and good will. It has been the habit of some Americans to indulge in violent criticism of Mussolini and to attribute to him and to the Italian people warlike designs and militaristic aspirations. Gestures have occasionally been made by Benito Mussolini, or some of the Fascist leaders, which were interpreted by some as indicative of an unfriendly attitude upon the part of the political and governmental authorities in Italy toward other countries, but I submit that the Italian Government and the Italian people seek an industrial renaissance. Certainly no one can claim that Italy presents any danger to the United States or that our military and naval budgets should be framed upon the theory that Italy is a menace to this Republic. The Italian people love their homes; they are largely devoted to agricultural pursuits and, as I have indicated, their chief concern is to bring economic recovery to their country.

Does the Senator from Maine [Mr. HALE] contend that the passage of this \$1,000,000 authorization is called for because of conditions in France? He knows, as all Senators know, that France has a small navy and did not avail herself of the opportunity given under the disarmament treaty of 1922 of constructing battleships. I might add that Italy did not avail herself of the same permission. France is a nation of agriculturists and the great majority of her people own their own homes and cultivate their own land. There has been much criticism of France in this and other countries since the World War, but in my opinion she has been unjustly charged as being animated by a militaristic spirit.

A few moments ago I read from addresses delivered in June last by Premier Macdonald and Stanley Baldwin. Permit me to quote a few sentences from these addresses. Speaking of France, Premier Macdonald says:

... Here one may say that a country in the position of France is in a peculiarly attackable position in that respect. We are an island. Let us be fair. Let us be just. Fairness and justice do not consist merely of logic. We must be able to use our imagination, to make our fairness a full measure of fairness, and our justice a full measure of justice. These people have been invaded again and again and again; their fields have been flattened by the feet of millions of invading soldiers. No channel however thin that trickle may be in view of modern invention and the application of science and research, no channel but a line drawn upon the ground—that is their only frontier. What should we feel like if we were in that position? Anyone who goes over the border country between England and Scotland, especially if he has any imagination, can understand the modern conditions and the modern psychology of large sections of the people of Europe. Therefore while we give our figures and ask for our agreements and negotiate our agreements, do not let us lose that sympathetic touch which is bound to keep France and us together so long as we have the proper imagination to see what a Frenchman feels, and above all what a French woman feels, when war is talked about and disarmament is being negotiated.

Stanley Baldwin in his address stated—

... I would say one word in addition to what the Prime Minister said about France. I am glad that he said what he did, because there is a tendency in many quarters to make France the scapegoat for every trouble that occurs in Europe. While I quite admit that there is often much to criticize in France, as in ourselves, I think that where people make a great mistake is in the psychology of the French people. I think, if I read it aright, I would say that to-day and for many years past the French people as a people are as peace-loving and domestic a people as exists in Europe to-day. But let us never forget that twice within 120 years the manhood of France has been bled white. The Napoleonic age crippled the manhood of France. Of the war of 1870, terrible as it was, I do not think I would use the term "bled white" as I do of the Napoleonic age and the recent war. What was the spirit that drove France into the Napoleonic wars? It was not so much that France was seized with imperialistic ideas, whatever may have been in Napoleon's mind. I always regard the

spiritual impulse in the French people at that time as the impulse of 1789; it was the feeling that they were the apostles of this new liberty, equality, and fraternity, and they were going to upset all the thrones of Europe and to impose those doctrines upon Europe. One of the dangers, as I see it, of the situation at the other end of Europe at this moment is this: I ask myself, is there a danger of the spiritual ideal which animated France in those years animating Russia and driving her out from her boundaries as France was driven out at that time?

But however that may be, that was, in my view, the impulse which led the manhood of France to its death in those years. It was what so often has caused wars in history; it was a great clash of ideals. The clash took place in Europe, and wherever there is a clash of ideals the Englishman is found in it on one side or the other, and the Napoleonic wars took place with the result that we know. There came 1870 and there came the last war, and those last two years have so burnt into their very souls that the Prime Minister has spoken about. It is difficult for us to realize what it means to be a nation in a vast continent with nothing but it may be a river or a field as the boundary over against your neighbor. We are, of course, from a military point of view, not an island any more. It will be some time before our people realize that, but we have to get the continental mind with regard to the position of our own land, and those of us who have been able to get it can sympathize with France. It is an agricultural country in the main. She has seen her fields, her corn, and her vineyards trampled upon by her hereditary enemies and by the armies of her own Allies. That is an experience which men, women, and children can never forget.

Let us show France that sympathy that she needs and deserves, and, as the Prime Minister said, try to bring her along with us and to convince her that, difficult as the task to which we are all pledged may be, the difficulties and dangers of any other path are greater still.

Undoubtedly France is unwilling that the Versailles treaty should be "treated as a scrap of paper" and that new states such as Poland and Czechoslovakia should be destroyed. She has felt constrained to protect the terms of the treaty, because in so doing believed she was protecting her own territory from further invasions and Europe from another devastating war.

In my opinion the greatest peacemaker of Europe in modern times was the great Briand, whose recent death was an international calamity. He collaborated with Stresemann, Germany's great statesman, whose death was also a blow to world peace, in bringing into closer relationship Germany and France. He attempted to organize a United States of Europe, to remove racial prejudices, traditional animosities, and to make effective as an instrumentality of peace the League of Nations, the World Court, and the Kellogg-Briand pact. He and other statesmen of Europe perceived the importance, indeed the necessity, of the most friendly cooperation, politically and economically, between France and Germany.

As I have before stated, France over and over again has signified her willingness to abolish battleships and to adopt a naval policy that will lighten the heavy military burdens to which the nations are subjected.

Does anyone justify this bill and our naval program because of Russia's naval policies? There may be differences of opinion as to the ambitions and desires of the Soviet Government. I know that there are those who believe that Stalin and his associates are planning the destruction of all so-called capitalistic governments, and that if this can not be accomplished by propaganda and intrigue it will be attempted by force. That the Russian Navy is of inconsequential proportions all must admit.

It would be absurd to urge that our naval expenditures must be increased because of Russia's naval program. I spent several months in Russia a few years ago, and in my rather extensive travels there I obtained considerable information concerning the workings of the Soviet Government and the purposes and policies of the Russian people. Although the Russian Army numerically is perhaps larger than that of any other country except China, the Russian people are not communists. Perhaps the communists of Russia do not exceed in number two or three million, and they and the communist leaders are more concerned now in protecting the gains which they have made in their own country and in preventing the liquidation of the Soviet Government than they are in the formulation of plans for the invasion of other countries. From my association with

the Russian people I am led to believe that Litinov's proposition for disarmament on land and sea and air was submitted in good faith. The deplorable economic condition of Russia would not permit the Bolshevik Government to engage in military operations even if it were disposed to enter upon such enterprise. Recently Russia entered into a number of treaties with European nations, and with Turkey and Persia, providing for nonaggression, and for a recognition of the territorial boundaries of such countries. Finland, Latvia, Estonia, and Lithuania, all bordering upon Russia, so far as I am advised, are not contemplating military conflicts with the Soviet Government. I concede, however, that the communist leaders in Russia believe that communism is destined to conquer the world and that sooner or later bourgeois systems and capitalistic governments will give way to the Marxian philosophy as it is interpreted and applied by the communists of Russia; and it is perhaps true that fanatical and zealous communists believe that the day is not far distant when, unless capitalistic nations accept the philosophy of communism, there will be revolutions within such countries and that the Soviet Government will be in a position to afford aid to such movements. But I submit that the bill before us can not be defended by reason of conditions in Russia or of fears of Russian assaults upon our Government. It would appear, therefore, that by a policy of elimination there are only two countries that we may take into consideration in formulating a naval policy; namely, Great Britain and Japan.

Mr. President, I have called attention to statements made by Sir John Simon and Ramsay MacDonald with respect to the question of disarmament. Certainly Great Britain has shown a disposition of going further in world disarmament than have our representatives at the London or Geneva conferences. I can not conceive of the United States fashioning its military policies upon the theory that war between these two great democracies is probable. It is inconceivable that in this enlightened age there should be war between the English-speaking peoples of the world. The United States and Great Britain are bound together by invisible ties. Senators know that from Great Britain came our jurisprudence, our Bill of Rights, our language, and much of our philosophy, a rich literary inheritance, a love of liberty and freedom that animates and inspires all who live under the Stars and Stripes. It would be impossible for Great Britain, even if a complete transformation should take place in the hearts and minds of the British people, to engage in a military conflict with the United States. The geographical position of the United States makes this Republic invulnerable to attack. Great naval commanders like Admiral Sims have declared that a naval war could not successfully be carried on against a far-distant country. No naval forces that Great Britain or any or all countries combined could bring together could successfully attack the United States. The Commonwealths of Great Britain are bound together by the most tenuous cords; indeed, they are, to all intents and purposes, independent states. Notwithstanding the ties of affinity and consanguinity between Great Britain and some of the British Commonwealths, material interests may become controlling factors in determining the relations between them and the mother country.

If Great Britain were the aggressor in a military conflict with the United States, who can say that Canada, Australia, South Africa, New Zealand, or India would give material or moral support to the British Government? If these great Commonwealths were to engage in combat, the world would be involved in gloom, if not in darkness.

Mr. President, for a number of years there has been a chauvinistic element in our country that has sought to arouse public sentiment against Japan, and the recent occurrences in the Orient have revived the jingo spirit that materially subsided after the World War. Many overlook the fact that in that contest Japan gave material aid to the allied and associated powers. Japan participated in the limitation of arms congress and accepted the restrictions prescribed in the treaty following the conference. Japan's

position for many years has been most difficult. She has a growing population—a restricted territorial area and limited resources. The problem confronting her has been and is to provide food for her inhabitants. Legislation excluding Japan from a number of countries has been enacted, and the limited area of Japan has brought the matter forcibly before the people that their future was uncertain unless an outlet for her surplus population could be discovered. Japan, like Great Britain, is unable to produce sufficient food for her population, and is compelled to look to the mainland for food and for raw materials.

It was to be expected that Japan, because of her insular position and lack of food supplies and raw materials, would look with concern upon the policies of other countries which would affect the mainland and particularly that portion of China and Manchuria which were separated from Japan by narrow stretches of water only. From the days of Peter the Great to the organization of the Soviet Government, Russia pushed her conquests eastward to the Pacific Ocean. Not content with her enormous territorial gains, the Russian Government invaded Manchuria and evidenced a purpose to confine Japan to her narrow and restricted limits. Japan in self-defense met the Russian armies and defeated them both upon land and upon sea. Japan won important victories and proved the character, courage, and devotion of her forces. History, I think, will show that Japan was largely deprived of the fruits of victory through the intervention of the great powers, but it is not inaccurate to say that Japan's emergence from a medieval status was the result of her contacts with occidental nations.

Recently, a distinguished Japanese, in an address delivered in New York, replied to critics who condemned his country and his people as having military ambitions and warlike characteristics. He stated in substance that before American war vessels entered Japanese ports and an American commodore demanded that they should be open to the commerce of the world, the Japanese were a quiet, inoffensive, and peace-loving people. He stated that they loved their mountains and their valleys and lived among their flowers, and many devoted their time to literary pursuits and to artistic activities. He further stated that so long as Japan remained in that rather pastoral and primitive condition she was treated with condescension by the occidental nations, but that when she followed the ways of Christian nations and built war vessels and raised and maintained well-drilled and efficient military forces, the Christian nations of the world were willing to receive her into their circle, and Great Britain sought an alliance which was only superseded when a treaty was entered into at the limitation of arms conference in 1922 between the powers, including the United States, and Japan.

The speaker was not defending militarism but was answering what he conceived to be unjust attacks upon his country and misinterpretation of the purposes and desires of the Japanese people.

Mr. President, I hold no brief for Japan, and I think her recent activities in and about Shanghai will be difficult to explain to the world. Undoubtedly the chaotic condition in China has occasioned deep concern upon the part of the Japanese Government. Japan could not look complacently upon China, torn and dismembered and a prey to predatory forces and communistic depredations. I do not believe that Japan seeks political control over China or aims to exclude occidental nations from trade with China. The policy of the open door, I think, Japan hopes to see maintained. It is quite likely, however, that with respect to Manchuria Japan believes that she has peculiar or special interests that may not be disregarded. The Soviet Government exercises more or less of authority over Mongolia. Japan may not feel quite assured that sooner or later there may not be a recrudescence of Russian imperialism which may lead the Russian Government, no matter its form, to covet Manchuria.

The United States has insisted upon maintaining the Monroe doctrine and various interpretations have been placed upon it by succeeding administrations. President Coolidge so interpreted it as to give the United States peculiar inter-

ests in certain Central American states. May not Japan contend that morally and legally she has interests different and distinct from those of other nations in Manchuria? Japan has large investments in Manchuria and more than a million of Koreans and Japanese have homes and property interests there. For several years last past bandits and brigands have infested that country and subjected Chinese, as well as Koreans and Japanese, to indignities and inhuman treatment. Doubtless Japan believed she had a right to defend her railroad and other interests, as well as the Koreans and Japanese, who were materially contributing to the establishment of peace and order and adding to the wealth of Manchuria.

I am not justifying Japan in the course which she has pursued; I am merely calling attention to a number of facts familiar to Senators. In what I have said I do not forget the tragic conditions in China and the efforts which are being made in China by patriotic Chinese to protect their country and to develop a national spirit and to resist every and all encroachments upon the territorial integrity or political rights of China. However, I will not pursue this thought further. I have alluded to these matters only because the contention is not infrequently made that the United States must maintain a powerful Navy because of Japan's alleged aggressive and ambitious projects. In my opinion, we are not justified in assuming that Japan is our enemy and fashions her military and naval plans with reference to the United States. At the London conference, as well as the conference now in session at Geneva, the representatives of Japan have indicated a willingness to materially reduce the military armaments of their country and to join other nations in relieving the people of the frightful military burdens resting upon them.

Mr. President, I return to the question, What justification is there for this proposed legislation? I quoted a statement of the Senator from Maine that—

* * * The enactment of this bill into law will have a stabilizing effect on world affairs. * * *

Mr. COSTIGAN. Mr. President, is it the contention of the Senator from Utah that the enactment of the pending bill would stimulate the spirit of competitive arming?

Mr. KING. Mr. President, I can reach no other conclusion, nor can I comprehend how any other conclusion can be reached.

Italy has recently announced that she has abandoned for the present the construction of one or more naval vessels which under existing treaties she is not deterred from building. Great Britain on the 3d of March reduced her military budget over \$18,000,000. Her naval estimates were lowered, and the average personnel of the navy was decreased 2,300 men. In what manner the passage of this measure calling for \$1,000,000,000 to be expended for naval vessels within four years will have a "stabilizing effect on world affairs" the Senator from Maine did not satisfactorily explain. In what manner will it "stabilize world affairs"? Evidently the Senator believes that it is a threat that the United States intends to strengthen its Navy; that because of the greater resources of the United States it can expend larger sums than other nations for military purposes; and that \$1,000,000,000 for new war vessels, to be built within four years, involves no serious drain upon the Treasury of the United States or the financial resources of the United States.

Mr. President, I believe that the passage of this bill will, as I have heretofore stated, arouse fears, if not resentments, upon the part of the nations whose representatives are now meeting delegates from the United States. When Germany began the construction of a powerful navy it did not tend to stabilize world affairs, but, on the contrary, produced instability, aroused fears and apprehensions, and, indeed, animosities. Does the Senator think that it will increase our bargaining power at the Geneva conference, and that those participating in the conference in order to obtain our favor will more quickly accept terms which our delegates may submit? Mr. President, I am sure that the suggestion of this view will prove offensive not only to the representa-

tives of other nations attending the conference but to the people generally who are longing for disarmament and for peace.

The Senator from Maine would have the country believe that our Navy has so deteriorated that it deprives our country of proper protection. The fact is, Mr. President, that we have the strongest and most powerful Navy in the world. I have before me a statement prepared by our Secretary of State, addressed to the secretary-general of the League of Nations, dated June 6, 1931. Preliminary to the Geneva conference the participating nations were requested to submit to the secretary-general of the league a detailed statement showing the military forces of each nation. In response to this request the Secretary of State submitted a statement and tables, covering 18 pages of printed matter, which contain complete information regarding the land, naval, and air effectives and air matériel "of the United States Government, as well as information regarding the expenditures for the armed forces of our Government." This report shows that the global tonnage of our Navy is 1,251,840 tons. The capital-ship tonnage totals 523,800. The tonnage of the aircraft carriers totals 95,300 tons. Cruisers with guns of more than 6.1 inch 155 millimeters built, building, appropriated for, or authorized total 206,800 tons. Cruisers with guns of 6.1 inch and less 155 millimeters total 75,900 tons. The number of destroyers is 256, with a total tonnage of 273,360 tons. Our Navy contains 110 submarines with a total tonnage of 80,680. I should add that some of the destroyers are over 16 years of age, and some of the submarines are over 13 years of age and are listed for disposal. There are also various other naval vessels, such as mine sweepers, Eagle boats, submarine chasers, tenders, aircraft tenders, cargo ships and transports, and so forth, numbering 197, having 776,085 tons.

The report also lists a number of special vessels, such as mine layers, monitors, and so forth, numbering 14, with a total tonnage of 88,050 tons. Under the head of Air Materiel the report shows that we have 1,752 airplanes having a total horsepower of 1,028,745. In addition there are dirigibles and other naval accessories. The report further states that the expenditures of the United States on shipbuilding for the year ending June 30, 1930, was approximately \$37,000,000, and that the cost of maintenance and repairs was \$32,817,000. The report adds that the expenditures for the fiscal year just mentioned, on account of Veterans' Bureau, pensions, and the pay of retired officers of the land and naval forces, amounted to \$714,005,086, and that the total expenses for the Navy were \$375,291,828, for the air force \$110,070,315, and for the land forces \$350,457,317.

Senators will perceive from this statement that the United States not only has a large and efficient Navy but that our annual expenditures for military purposes are very great.

I also have a statement submitted by the British Government to the League of Nations bearing date of August 4, 1931, which gives in detail the military and naval forces of that Government. It shows that the global tonnage is 1,250,247 (tons), consisting of capital ships, the total tonnage of which is 555,050 (tons). There are five aircraft carriers with a total tonnage of only 115,350. One of the carriers has a tonnage of only 10,850 and another 14,450. The report shows a cruiser tonnage totaling 163,686, 30 of the number being small cruisers from 3,895 to 4,850 tons each. The total tonnage in the cruiser category is 170,665. The statement shows that the tonnage of the destroyers amounts to 184,370, and the submarine tonnage totals 61,126. Great Britain also has a number of what the statement denominates as "exempt vessels as defined by Annex I to Chapter B of Part II of the Draft Convention (cf. article 8, London Naval Treaty)."

Mr. Charles P. Howland, in his book entitled "Survey of American Foreign Relations," published in 1930, states that Japan, in 1929, had 10 capital ships and 3 aircraft carriers; France, 9 capital ships and 1 aircraft carrier; and Italy, 4 capital ships and 1 aircraft carrier. At the beginning of 1930 Japan had 29 cruisers and 4 were being built. Her

destroyers numbered 101 and her submarines 61. At that time she was constructing six destroyers and six submarines. The United States has more destroyers than Great Britain and Japan combined. Mr. Howland, quoting from the report of Naval Intelligence of the United States Navy, states that no other vessel was more directly responsible for the protection of sea traffic in the Great War than the destroyer. It was an antidote for the submarine menace, "and being thrice armed with ram gun and depth charge as it pursued its prey and with a speed of 40 miles an hour, it was the deadliest foe of the submarine."

Data from the Office of Naval Intelligence of the United States as of December, 1929, shows that the United States had in its Navy 452 ships; the British Empire, 339; Japan, 233; France, 198; and Italy, 174. The total tonnage of the warcraft of the United States was 1,293,972 and that of Great Britain 1,344,412. Japan's total tonnage was 784,877. In the United States Navy there were 93,323 enlisted men; the man power of the British Navy was 89,000; Japan's had 81,595; France's, 60,834; and Italy's, 45,397.

Notwithstanding the superiority of our Navy over that of Great Britain or any other power, Secretary Wilbur in 1927 urged the construction of 71 warships. Of this number 25 were to be light cruisers, 9 destroyer leaders, 32 submarines, and 5 aircraft carriers, the estimated cost of which was between seven hundred and twenty-five and eight hundred millions of dollars. It was remarkable that this recommendation was declared to be "not in conflict with President Coolidge's policy of economy." At the same time Mr. Bridgeman, First Lord of the Admiralty, announced in the House of Commons that Great Britain had decided to drop from the list three cruisers which were to be laid down during that year.

The naval board and the navalists of the United States vigorously pushed the administration program, but opposition was developed in all parts of the United States and the administration was compelled to modify the same. A new bill was offered calling for fifteen 10,000-ton cruisers and one aircraft carrier, the cost to be approximately \$300,000,000. The House passed the bill providing for the construction of these vessels, but it was not acted upon in the Senate. In the meantime the Briand-Kellogg treaty was prepared and signed in Paris in 1928. Notwithstanding the terms of this pact and the solemn agreement that the United States, as well as all other signatories, renounced war as a national policy and agreed to settle all disputes by peaceful means, the Senate in February, 1929, passed a bill authorizing the construction of 15 light cruisers and 1 aircraft carrier.

There have been persistent efforts upon the part of our Navy Department and various organizations in the United States to embark upon a stupendous naval-construction policy, and the propaganda carried on in behalf of this program has done much, in my opinion, to nullify international efforts to limit military expenditures and to prevent success in disarmament conferences.

Mr. President, I have, upon a number of occasions, declared, and I insist that the facts support the declaration, that our Navy is superior to that of Great Britain. Mr. Hector C. Bywater, a recognized authority upon naval construction and naval affairs, recently stated that—

* * * The United States battle fleet of 18 capital ships is the only completely oil-burning fleet in the world, which gives it an immense advantage over all others in steaming radius and strategical homogeneity. It is the only fleet of which every pre-Jutland unit has been, or is being, extensively reconstructed or modernized to embody war experience. It mounts 192 heavy turret guns, as against 166 corresponding guns mounted in the British fleet.

Since Mr. Bywater made the statement just quoted, the United States has expended tens of millions of dollars in improving our capital ships. It is to be noted that six of our capital ships have been completed since the war. Great Britain has completed but three. In our fleet there are 10 ships, each with a tonnage of 30,000 or over. In our Navy there are five capital ships the guns of which outrange the British guns, with the exception of those of the *Rodney* and

the *Nelson*. Our Navy has twenty-four 6-inch guns, while the British Navy has but 18.

Further comparisons between the various navies of the world will, in my opinion, establish the fact that the Navy of the United States is superior to that of any other country. In view of this fact and of the growing demand in this and other countries that the military burdens shall be reduced, it seems indefensible for the United States to expend such huge sums for the construction of war vessels and for so-called military preparedness. We should prepare for peace rather than for war.

Mr. President, our children and our children's children will be called upon to pay millions of dollars to meet the obligations of the World War. Though our expenditures to date growing out of the World War exceed \$58,000,000,000, the American people have paid but a fraction of what the future will demand at their hands.

The bill before us should be defeated. Its defeat would encourage the friends of peace everywhere and give notice to the world that this Republic is not only dedicated to liberty and justice but to the cause of international good will and to world peace.

The VICE PRESIDENT. If there be no further amendment to be offered to the bill, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The VICE PRESIDENT. The question is, Shall the bill pass?

Mr. LA FOLLETTE. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Cutting	Kendrick	Shipstead
Bailey	Dale	Keyes	Shortridge
Bankhead	Davis	King	Smith
Barbour	Dickinson	La Follette	Stelwer
Bingham	Dill	Lewis	Stephens
Blaine	Fess	Logan	Thomas, Okla.
Bratton	Fletcher	McGill	Townsend
Broussard	Frazier	McKellar	Trammell
Bulkeley	George	McNary	Tydings
Bulow	Glass	Metcalf	Vandenberg
Byrnes	Goldsborough	Moses	Walcott
Capper	Gore	Norris	Walsh, Mass.
Caraway	Hale	Nye	Walsh, Mont.
Carey	Hatfield	Oddie	Watson
Cohen	Hayden	Reed	Wheeler
Connally	Howell	Robinson, Ark.	White
Coolidge	Hull	Robinson, Ind.	
Costigan	Johnson	Schall	
Couzens	Jones	Sheppard	

The VICE PRESIDENT. Seventy-three Senators having answered to their names, a quorum is present. The bill having been read the third time, the question is, Shall it pass?

Mr. MOSES. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. BULOW (when his name was called). On this vote I have a pair with the senior Senator from New Jersey [Mr. KEAN] and therefore withhold my vote. If permitted to vote, I should vote "nay."

Mr. DICKINSON (when his name was called). I have a general pair with the senior Senator from Kentucky [Mr. BARKLEY]. Not knowing how he would vote, I withhold my vote. If permitted to vote, I should vote "nay."

I desire to announce that the senior Senator from Iowa [Mr. BROOKHART] has a general pair with the junior Senator from Louisiana [Mr. LONG]. If the Senator from Iowa were present and permitted to vote, he would vote "nay," and, I understand, if the Senator from Louisiana were present and permitted to vote he would vote "yea."

Mr. HULL (when his name was called). I have a general pair with the junior Senator from Rhode Island [Mr. HEBERT]. In his absence, I withhold my vote.

Mr. JONES (when his name was called). I have a general pair with the senior Senator from Virginia [Mr. SWANSON], who is necessarily absent. I transfer that pair to the Senator from Vermont [Mr. AUSTIN] and therefore am at

liberty to vote, and vote "yea." I understand if the Senator from Vermont were present and permitted to vote, he would vote "yea."

Mr. McNARY. On this vote I have a pair with the senior Senator from Mississippi [Mr. HARRISON], who is necessarily absent from the Chamber. Being unable to obtain a transfer, I withhold my vote. If permitted to vote, I should vote "yea."

Mr. THOMAS of Oklahoma (when his name was called). On this question I have a pair with the junior Senator from Missouri [Mr. PATTERSON]. I understand that if he were present, he would vote "yea." If I were permitted to vote, I should vote "nay."

Mr. WHEELER (when his name was called). I have a general pair with the junior Senator from Idaho [Mr. THOMAS]. If permitted to vote, I should vote "nay."

The roll call was concluded.

Mr. HATFIELD (after having voted in the affirmative). I inquire if the senior Senator from North Carolina [Mr. MORRISON] has voted?

The VICE PRESIDENT. That Senator has not voted.

Mr. HATFIELD. I have a general pair with that Senator, but I find I can transfer that pair to the Senator from Delaware [Mr. HASTINGS], which I do and allow my vote to stand.

Mr. FRAZIER. On this question I have a pair with the senior Senator from New York [Mr. COPELAND], who is unavoidably absent. I transfer that pair to the senior Senator from Idaho [Mr. BORAH] and vote "nay." I understand that the Senator from New York, if present, would vote "yea," and that the Senator from Idaho, if present, would vote "nay."

Mr. SHIPSTEAD (after having voted in the negative). I inquire if the junior Senator from New York [Mr. WAGNER] has voted?

The VICE PRESIDENT. That Senator has not voted.

Mr. SHIPSTEAD. On this question I have a pair with that Senator. I understand if he were present, he would vote "yea." I, therefore, withdraw my vote.

Mr. FESS. I desire to announce the following general pairs:

The Senator from Colorado [Mr. WATERMAN] with the Senator from Alabama [Mr. BLACK]; and

The Senator from Illinois [Mr. GLENN] with the Senator from West Virginia [Mr. NEELY].

I wish further to announce that both the Senator from Colorado [Mr. WATERMAN] and the Senator from Illinois [Mr. GLENN], if present, would vote "yea."

Mr. SHEPPARD. I wish to announce that the Senator from New York [Mr. WAGNER], the Senator from North Carolina [Mr. MORRISON], the Senator from Nevada [Mr. PITTMAN], the Senator from Mississippi [Mr. HARRISON], and the Senator from Georgia [Mr. GEORGE] are absent from the Senate on official business.

Mr. ROBINSON of Arkansas. I wish to announce that the senior Senator from Missouri [Mr. HAWES] is detained from the Senate on official business. If present, he would vote "yea."

Mr. GLASS. I desire to announce that my colleague the senior Senator from Virginia [Mr. SWANSON] is absent in attendance on the disarmament conference at Geneva.

The result was announced—yeas 44, nays 21, as follows:

YEAS—44

Ashurst	Couzens	Kendrick	Shortridge
Bailey	Dale	Keyes	Smith
Barbour	Davis	Lewis	Stetson
Bingham	Fess	Metcalf	Townsend
Broussard	Fletcher	Moses	Trammell
Bulkeley	Goldsborough	Oddie	Tydings
Byrnes	Hale	Reed	Vandenberg
Caraway	Hatfield	Robinson, Ark.	Walcott
Carey	Hayden	Robinson, Ind.	Walsh, Mass.
Cohen	Johnson	Schall	Watson
Coolidge	Jones	Sheppard	White

NAYS—21

Bankhead	Cutting	King	Nye
Blaine	Dill	La Follette	Stevens
Bratton	Frazier	Logan	Walsh, Mont.
Capper	Glass	McGill	
Connally	Gore	McKellar	
Costigan	Howell	Norris	

NOT VOTING—31

Austin	George	Long	Smoot
Barkley	Glenn	McNary	Swanson
Black	Harrison	Morrison	Thomas, Idaho
Borah	Hastings	Neely	Thomas, Okla.
Brookhart	Hawes	Norbeck	Wagner
Bulow	Hebert	Patterson	Waterman
Copeland	Hull	Pittman	Wheeler
Dickinson	Kean	Shipstead	

So the bill was passed.

INCREASE OF BANKING FACILITIES

Mr. GLASS. I move that the Senate proceed to the consideration of Order of Business No. 604, being Senate bill 4412, the banking bill.

The VICE PRESIDENT. Let the bill be reported by its title.

The CHIEF CLERK. A bill (S. 4412) to provide for the safer and more effective use of the assets of Federal reserve banks and of national banking associations to regulate inter-bank control, to prevent the undue diversion of funds into speculative operations, and for other purposes.

The VICE PRESIDENT. The question is on the motion of the Senator from Virginia.

The motion was agreed to; and the Senate proceeded to consider the bill.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT, as in executive session, laid before the Senate messages from the President of the United States submitting sundry nominations and a convention, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

RADIO ADDRESS BY C. E. HUFF

Mr. NYE. Mr. President, I ask unanimous consent for the incorporation in the RECORD of an address delivered by President C. E. Huff, of the Farmers' National Grain Corporation, by radio, April 15, 1932.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

An open break has occurred between the Chicago Board of Trade and Farmers National Grain Corporation, the national cooperative sales agency for organized grain producers. This contest is not of our choosing, but the only alternative to an open fight seems to be abject surrender.

The cooperative organizations have had too many years of experience in fighting with organized tradesmen, whose profits are threatened by the development of the cooperative movement, to be frightened or dismayed by any new contest.

An attempt is being made to mislead the public and local cooperatives as to the issues in the present difficulty. Officials of the Chicago Board of Trade declare or imply that they are entirely favorable to the cooperative movement itself, but they question Farmers National Grain Corporation's being a cooperative; and they object to Farm Board loans, under the marketing act, which they describe as Government subsidies to cooperatives. This attitude of theirs, they say, is in behalf of the producer himself, for whom they claim to have an undying affection.

Let it be recalled that when the first farmers' elevators were organized not a bushel of grain forwarded to market by them would be accepted or handled by any member of the Chicago Board of Trade unless the sale was authorized by the local cooperative elevator, making the shipment to be made in the name of a local private grain dealer (their competitor) and for his account and with a commission deduction for his benefit. They then thought that even local cooperatives were wrong. It required special action on the part of the Federal Government, the active interest of the then President of the United States and of the Attorney General to secure for farmers' elevators their initial right even to have their grain sold by a member of the Chicago Board of Trade at regular commission rates.

It seems that the board of trade now believes that the proper definition of a true cooperative is one which is small, unrelated to others of a similar character, and whose entire commodity is turned over to members of the board of trade for marketing. Any time a cooperative develops strength enough or a program broad enough seriously to interfere with the private earnings of members of boards of trade and exchanges the cry immediately goes up that they are not truly cooperative and that producers are being misled. When one notes what American farmers have done for the Chicago Board of Trade and its members, he must feel that the farmer is entitled, at least, to their undying friendship. This friendship to cooperatives in the past is not borne out by the facts of history.

The Federal Trade Commission was called to investigate the opposition which the grain exchanges were making against the Farmers Equity Exchange in St. Paul in 1918. The commission

found that the organized grain trade had indulged in false and vicious propaganda and had raised substantial funds which had been expended in devious and underground ways and that a definite boycott had been established against the cooperative and the grain which it offered for sale. To correct this bad condition the Federal Trade Commission issued a permanent injunction, restraining the grain exchanges from any such practices in the future in relation to this cooperative organization. There was not at that time any federation of American business nor any war cry about "getting the Government out of business." The issue to-day is not with regard to the Federal Farm Board nor to the Government in business, but has to do solely with the development of large-scale cooperatives, which are putting the American farmer in control of his commodities in the market places in such a manner as to enable him to bargain effectively upon them and to retain for himself those final values which heretofore have passed to others in the form of commissions, discounts, and so on.

The early opposition to the cooperative movement was hardly more ridiculous than that of the present, and yet, looking backward, the utter unreasonableness of it is more completely apparent. The passing of time will reveal the folly of the present opposition.

I am reliably informed that when livestock producers undertook some 25 years ago to market their livestock in car lots directly to the terminal markets, thus substantially narrowing the spread between the farmer and such markets, an injunction was secured in the courts of Iowa against such action on the part of producers, on the ground that it violated the Constitution of the United States. It was contended that the private dealer had a vested interest in this business which cooperative marketing destroyed without due process of law. I am told that for some little time this court injunction was actually in effect prohibiting livestock producers from even attempting to lessen the tolls which were levied upon their commodity.

For nearly two years now the Chicago Board of Trade and its affiliate, the Chicago Board of Trade Clearing Corporation, have attempted to restrict the operations thereon of Farmers' National Grain Corporation, in absolute disregard of the act of Congress which guarantees to cooperatives equal trading privileges with other handlers of grain. No question as to the cooperative character of Farmers' National Grain Corporation was raised by the Chicago Board of Trade in June, 1930, when it first applied for clearing-house membership and privileges, nor was it raised in connection with our application for memberships on the board of trade itself which preceded this application.

Farmers' National Grain Corporation was organized as a central sales agency for grain cooperatives. Its cooperative characteristics have been subjected to the most rigid and technical examination by the Federal Farm Board and Federal intermediate credit banks, restricted by law to lend only to cooperatives. Its articles of incorporation and by-laws contain all standard cooperative provisions. In practice it is fully cooperative in every way.

In appealing to the Secretary of Agriculture to enforce the law governing contract markets, Farmers National Grain Corporation has taken the only course open to it short of appealing to the Federal courts. Against the charges of discrimination and violation of the grain futures act the Chicago Board of Trade and the clearing corporation attempt as their principal defense to cast doubt as to the standing of Farmers National Grain Corporation as a cooperative. They need have no worry on this score. The president of the Chicago Board of Trade has ample opportunity, if he wishes to make use of it, to learn that Farmers National Grain Corporation is a cooperative, complying in every respect with the provisions of the Capper-Volstead Act. This act not only places limitations on the volume of nonmember business that may be handled but also provides that a cooperative must be composed of producers and must operate for the mutual benefit of its members. The act further limits the dividends which may be paid on capital stock to a maximum of 8 per cent. Farmers National Grain Corporation conforms to all of these provisions of the national cooperative statute, and is wholly owned by 28 large organizations of grain producers, which comprise in their membership upward of a quarter million actual farmers.

It is pointed out by the president of the Chicago Board of Trade that the rule No. 313, which was invoked to prevent the admission of Farmers National Grain Corporation in the clearing corporation and which is being invoked by the board of trade in an attempt to expel the Updike Grain Co., subsidiary of the national cooperative, was passed for the protection of the public and on the theory that in event of a failure the liability of officers and stockholders of the member corporation would be limited, whereas in a partnership all partners would be equally liable. There are two significant things to be noted in connection with this statement. The first is that the board of trade's interest in thus protecting the public in its dealings with members of the clearing corporation never became apparent until after the Congress of the United States, called in special session early in 1929, had gotten definitely under way legislation designed to support the development of cooperative marketing and to place grain cooperatives in such position as to make them a very important, if not a dominant, factor in the market.

It was as clearly evident to these board of trade officials then as it must be evident to the public now that rule 313 would exclude the cooperatives effectively and would in no way operate against any other individual or group. In the nature of things a cooperative can not become a partnership.

The second weakness in the argument is that a partnership is not necessarily financially sound, regardless of the liability which its members may severally have. The rule does not hinge upon the financial soundness of the member organization. It blindly provides that a corporation, regardless of its financial strength, can not be a member and offers the weak excuse that the stockholders of such corporation are not individually liable and that, therefore, the public has less protection. Farmers National Grain Corporation is certainly as responsible financially as most partnerships, is a member in good standing on the Chicago Board of Trade, and has been able at all times to meet every financial obligation or requirement. With its application for membership in the clearing corporation it submitted a copy of its current balance sheet, showing the net worth of the corporation to be approximately two and one-half million dollars.

The president of the Chicago Board of Trade implies that the national cooperative has not dealt openly and cites the fact that its purchase of the Updike Grain Co. was not revealed until brought to light by officials of the Chicago Board of Trade. When the rule 313, adopted by the board of trade only a few months in advance of the formation of the national cooperative, was cited and the corporation's application was returned, the Grain Corporation realized fully that every effort would be made to prevent its becoming a member of the clearing corporation and to restrict its operations as a member of the Chicago Board of Trade. Not wishing to make the matter one of open contest, it was entirely natural that the cooperative should have purchased the stock of a corporation already enjoying member privileges and to have carried on its business by that means. The cooperative has no apology to make for its failure to notify the board of trade of its purchase of the Updike Grain Co. Neither does that purchase nor the use of the Updike Grain Co. by Farmers National Grain Corporation have any bearing upon the corporation's right in its own name as a cooperative to the privileges of the clearing house.

The president of the Chicago Board of Trade finds the grain markets somewhat improved as to price levels and is fearful that the action of Farmers National Grain Corporation in demanding its rights under the law may result in an unfavorable turn in the grain markets and no end of injury to business in general. He should be reminded that Farmers National Grain Corporation and its affiliated cooperatives are the only agencies consistently attempting to maintain grain price levels against the frequent efforts of speculative bear raiders in the private grain trade to hammer down the level of grain prices. Many believe that these raids upon the market have for a motive the desire to cause grain producers to lose confidence in the agricultural marketing act, the Federal Farm Board, and the cooperatives. It might be stated also that the Chicago Board of Trade takes itself far too seriously if it believes that the business structure of this country is apt to suffer very seriously as the result of any action taken on the part of the Federal Government to protect the rights of producer organizations under the law against the rulings of the officials of the Chicago Board of Trade. If any ill results should follow, responsibility for such results will rest not upon those who insist upon their rights under the law but upon those who stubbornly refuse to comply with the provisions of Federal statutes for wholly selfish reasons.

Farmers National Grain Corporation engages in no speculative operations. It is acting in behalf of American grain producers and with their interests in mind, and its development over a period of only two years has had the effect of diverting such large volumes of grain from old-line to cooperative channels that every possible effort, it is apparent, is to be made by a certain element in the private grain trade to prevent further growth of the cooperative movement.

Every possible attempt is also being made to have it appear that there is some community of interest between the Chicago Board of Trade and certain cooperative groups, and that the cooperatives are themselves opposing Farmers National Grain Corporation and the Farm Board as definitely as is the board of trade. The Farmers Grain Dealers Association of Illinois is frequently quoted in this connection. Such quotations are misleading and are made too comprehensive by those who are quoted. One of the stockholder members of Farmers National Grain Corporation in Illinois is Illinois Grain Corporation, affiliated with the Illinois Agricultural Association. This latter organization has a paid-up membership of more than 58,000 farm families in the State of Illinois, and its grain organization has in its membership 84 farmers' elevators within the State which are fully cooperative under the Capper-Volstead Act. Other farmers' elevators are joining the organization almost daily. It would be interesting to know how many such elevators are actually affiliated with the Farmers Grain Dealers organization.

There can be but one outcome to this present contest. The Chicago Board of Trade will adjust itself to the new facts and factors in marketing or it will disappear. Cooperative marketing is here to serve and to succeed. Farmers will not be misled, nor can their marketing program be defeated. We shall move steadily forward.

ADJOURNMENT UNTIL MONDAY

Mr. McNARY. I move that the Senate adjourn until Monday next at 12 o'clock noon.

The motion was agreed to; and (at 4 o'clock and 30 minutes p. m.) the Senate adjourned until Monday, May 9, 1932, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 6 (legislative day of May 4), 1932

MEMBER OF THE UNITED STATES SHIPPING BOARD

T. V. O'Connor, of New York, to be a member of the United States Shipping Board for a term of six years from June 9, 1932. (Reappointment.)

MEMBER AND PRESIDENT OF THE MISSISSIPPI RIVER COMMISSION

Col. Harley B. Ferguson, Corps of Engineers, United States Army, for appointment as member and president of the Mississippi River Commission, vice Brig. Gen. Thomas H. Jackson, relieved.

MEMBER OF THE PUBLIC UTILITIES COMMISSION OF THE DISTRICT OF COLUMBIA

Mason M. Patrick, of the District of Columbia, to be a member of the Public Utilities Commission of the District of Columbia for a term of three years from July 1, 1932. (Reappointment.)

UNITED STATES MARSHAL

Arthur Rogers, of Tennessee, to be United States marshal, western district of Tennessee. (He is now serving in this position under an appointment which expires May 29, 1932.)

COAST GUARD

The following-named cadets to be Ensigns in the Coast Guard of the United States, to rank as such from May 16, 1932:

Donald T. Adams.	George R. Leslie.
Joseph A. Bresnan.	Gilbert I. Lynch.
Garland W. Collins.	Walter B. Millington.
Walter W. Collins.	Emil A. Pearson.
James D. Craik.	Oscar C. Rohnke.
Anthony J. DeJoy.	Richard D. Schmidtman.
Theodore J. Fabik.	Loren H. Seeger.
John P. German.	William H. Snyder.
Robert L. Grantham.	Irvin J. Stephens.
Theodore J. Harris.	Carl H. Stober.
John R. Henthorn.	George D. Synon.
Edward T. Hodges.	Hollis M. Warner.
Reinhold R. Johnson.	Frederick G. Wild.
John R. Kurcheski.	Karl O. A. Zittel.

APPOINTMENT, BY TRANSFER, IN THE REGULAR ARMY

TO INFANTRY

Maj. Franklin Langley Whitley, Adjutant General's Department, with rank from July 1, 1920.

PROMOTIONS IN THE REGULAR ARMY

To be colonels

Lieut. Col. Sheldon Webb Anding, Infantry, from May 1, 1932.

Lieut. Col. William Gaither Murchison, Adjutant General's Department, from May 1, 1932.

Lieut. Col. Howard Stanley Miller, Coast Artillery Corps, from May 1, 1932.

Lieut. Col. Clarence Lininger, Cavalry, from May 1, 1932.

Lieut. Col. Edward Murray Offley, Cavalry, from May 1, 1932.

To be lieutenant colonels

Maj. Richard David Newman, Cavalry, from May 1, 1932.

Maj. Thomas Jefferson Johnson, Field Artillery, from May 1, 1932.

Maj. Robert Howe Fletcher, jr., Infantry, from May 1, 1932, subject to examination required by law.

Maj. Frederick Ambrose Barker, Infantry, from May 1, 1932.

Maj. Agard Hyde Bailey, Infantry, from May 1, 1932.

Maj. Sumner McBee Williams, Quartermaster Corps, from May 1, 1932.

To be majors

Capt. Preston Thompson Vance, Field Artillery, from May 1, 1932.

Capt. Philip Coleman Clayton, Cavalry, from May 1, 1932.

Capt. William Hays Hammond, Infantry, from May 1, 1932.

Capt. Halbert H. Noyes, Quartermaster Corps, from May 1, 1932.

Capt. Theodore Russell Maul, Quartermaster Corps, from May 1, 1932.

Capt. John Amos Nelson, Quartermaster Corps, from May 1, 1932.

Capt. Cyrus Wilson Haney, Quartermaster Corps, from May 1, 1932.

Capt. Joseph Leonard Tupper, Infantry, from May 1, 1932.

To be captains

First Lieut. Joseph Jones Yeats, Infantry, from May 1, 1932.

First Lieut. William Henry Buechner, Infantry, from May 1, 1932.

First Lieut. Arthur Dale Rothrock, Ordnance Department, from May 1, 1932.

First Lieut. John William Monahan, Air Corps, from May 1, 1932.

First Lieut. Ernest Emery Harmon, Air Corps, from May 1, 1932.

First Lieut. Cortlandt Spencer Johnson, Air Corps, from May 1, 1932.

First Lieut. Andrew Reid Duvall, Infantry, from May 1, 1932.

First Lieut. Henry Walter Ulmo, Coast Artillery Corps, from May 1, 1932.

First Lieut. Charles Carl Chauncey, Air Corps, from May 1, 1932.

First Lieut. Julian Meredith MacMillan, Infantry, from May 1, 1932.

First Lieut. Walter Eugene Richards, Air Corps, from May 1, 1932.

First Lieut. Robert Elmer Self, Air Corps, from May 1, 1932.

First Lieut. Raymond Dailey, Quartermaster Corps, from May 1, 1932.

To be first lieutenants

Second Lieut. George Hall Sparhawk, Air Corps, from May 1, 1932.

Second Lieut. John Felix Guillett, Air Corps, from May 1, 1932.

Second Lieut. Dixon McCarty Allison, Air Corps, from May 1, 1932.

Second Lieut. Joel G. O'Neal, Air Corps, from May 1, 1932.

Second Lieut. Alva Lee Harvey, Air Corps, from May 1, 1932.

Second Lieut. Robert Lee Miller, Coast Artillery Corps, from May 1, 1932.

Second Lieut. John Gross Merrick, Cavalry, from May 1, 1932.

Second Lieut. John Osman Taylor, Field Artillery, from May 1, 1932.

Second Lieut. Frank Neuman Leakey, Field Artillery, from May 1, 1932.

Second Lieut. George Olaf Norman Lodoen, Infantry, from May 1, 1932.

Second Lieut. Lindsey Roscoe Wingfield, Field Artillery, from May 1, 1932.

Second Lieut. Philip James Henderson, Infantry, from May 1, 1932.

Second Lieut. Edgar Richard Curtis Ward, Coast Artillery Corps, from May 1, 1932.

MEDICAL CORPS

To be lieutenant colonels

Maj. Leeson Oren Tarleton, Medical Corps, from April 30, 1932.

Maj. Shelley Uriah Marietta, Medical Corps, from May 1, 1932.

Maj. Harry Hill Van Kirk, Medical Corps, from May 2, 1932.

Maj. Robert Skelton, Medical Corps, from May 3, 1932.

Maj. Omar Heinrich Quade, Medical Corps, from May 4, 1932.

To be captains

First Lieut. Crawford Fountain Sams, Medical Corps, from May 2, 1932.

First Lieut. Mark Tad Morgan, Medical Corps, from May 3, 1932.

PROMOTIONS IN THE NAVY

Capt. John W. Greenslade to be a rear admiral in the Navy from the 1st day of May, 1932.

Lieut. Commander Norman Scott to be a commander in the Navy from the 1st day of July, 1931.

Lieut. Commander Joseph L. Nielson to be a commander in the Navy from the 1st day of November, 1931.

Lieut. Commander Virgil C. Griffin, jr., to be a commander in the Navy from the 29th day of December, 1931.

The following-named lieutenant commanders to be commanders in the Navy from the 1st day of February, 1932:

Ernest G. Small.

Willard E. Cheadle.

Lieut. Edmund D. Duckett to be a lieutenant commander in the Navy from the 4th day of December, 1931.

Lieut. Learned L. Dean to be a lieutenant commander in the Navy from the 4th day of June, 1931.

Lieut. Charles P. Porter to be a lieutenant commander in the Navy from the 4th day of December, 1931.

Lieut. Wilmer W. Weber to be a lieutenant commander in the Navy from the 1st day of February, 1932.

Lieut. (Junior Grade) Justin S. Fitzgerald to be a lieutenant in the Navy from the 1st day of August, 1931.

Lieut. (Junior Grade) Paul B. Koonce to be a lieutenant in the Navy from the 11th day of October, 1931.

Lieut. (Junior Grade) Wallace E. Guitar to be a lieutenant in the Navy from the 21st day of February, 1932.

Lieut. (Junior Grade) Philip D. Lohmann to be a lieutenant in the Navy from the 13th day of February, 1932.

Lieut. (Junior Grade) John H. Brady to be a lieutenant in the Navy from the 1st day of May, 1932.

Passed Asst. Surg. Charles G. Terrell to be a surgeon in the Navy, with the rank of lieutenant commander, from the 1st day of February, 1932.

Passed Asst. Paymaster Charles E. Rappolee to be a paymaster in the Navy, with the rank of lieutenant commander, from the 4th day of June, 1931.

The following-named chief boatswains to be chief boatswains in the Navy, to rank with but after ensign from the dates stated opposite their names to correct the date from which they take rank as previously nominated and confirmed:

Thomas O. Kirby, January 16, 1924.

Svend J. Skou, January 15, 1924.

Frank H. Lemon, February 20, 1924.

Ivan E. Pitman, February 24, 1924.

John O. Strickland, April 23, 1924.

William S. Burns, March 13, 1924.

William H. Fiddler, jr., June 7, 1924.

James F. Jeter, July 22, 1924.

James L. Freese, July 15, 1924.

Edgar J. Hayden, July 15, 1924.

Lyle Turner, November 15, 1924.

Anthony Feher, September 13, 1924.

Harold E. Russell, April 25, 1924.

Albert A. Webb, December 18, 1924.

Marshall M. Angleton, March 3, 1925.

Harold L. Arnold, January 16, 1925.

John T. Sunderman, June 20, 1925.

Harry W. Weinberg, September 19, 1924.

Fred Michaelis, January 3, 1925.

Thomas F. McDermott, February 2, 1925.

Kenneth C. Ingraham, July 6, 1925.

Henry M. Brun, November 26, 1925.

The following-named chief gunners to be chief gunners in the Navy, to rank with but after ensign from the dates stated opposite their names to correct the date from which they take rank as previously nominated and confirmed:

Warren C. Carr, January 16, 1924.

Charles A. Strumsky, March 14, 1924.

Arthur S. Fenton, November 4, 1924.

Charles B. Day, November 29, 1924.

Glen R. Ringquist, July 7, 1926.

Joseph J. Cox, March 9, 1925.

Francis Quotidomine, April 20, 1925.

William M. Coles, February 16, 1926.

The following-named chief electricians to be chief electricians in the Navy, to rank with but after ensign from the dates stated opposite their names to correct the date from which they take rank as previously nominated and confirmed:

Merion E. Hair, March 4, 1925.

Harry C. Woodward, December 12, 1924.

Thomas Q. Costello, March 15, 1925.

Chief Radio Electrician George W. Almour to be a chief radio electrician in the Navy, to rank with but after ensign from the 5th day of August, 1925, to correct the date from which he takes rank as previously nominated and confirmed.

The following-named chief machinists to be chief machinists in the Navy, to rank with but after ensign from the dates stated opposite their names to correct the date from which they take rank as previously nominated and confirmed:

John R. Rayhart, January 16, 1924.

Ralph M. Jeffries, January 19, 1924.

John W. Cunningham, January 30, 1924.

William J. Lowe, February 24, 1924.

Edward J. Sherry, February 25, 1924.

William T. Crone, March 27, 1924.

Clarence C. McDow, March 19, 1924.

Meares B. Cartmell, July 16, 1924.

Edward J. Tyrrell, November 29, 1924.

Virgil B. Duke, December 4, 1924.

John M. Fitzsimmons, August 20, 1924.

David L. Jones, March 19, 1925.

Thomas G. Powers, April 5, 1925.

Jacob F. Matsch, November 28, 1923.

Raymond G. Shively, August 21, 1925.

Clarence J. P. Buckey, August 5, 1926.

The following-named chief carpenters to be chief carpenters in the Navy to rank with but after ensign from the dates stated opposite their names to correct the date from which they take rank as previously nominated and confirmed:

David Somers, March 12, 1925.

William J. Kennedy, March 25, 1925.

The following-named chief pay clerks to be chief pay clerks in the Navy to rank with but after ensign from the dates stated opposite their names to correct the date from which they take rank as previously nominated and confirmed:

Harry S. MacKan, July 7, 1922.

Floyd L. Chapman, May 25, 1924.

Frank L. Bevier, November 1, 1924.

Oscar H. Weyel, December 19, 1925.

Lieut. (Junior Grade) Thomas E. Kelly to be a lieutenant in the Navy from the 1st day of December, 1931.

HOUSE OF REPRESENTATIVES

FRIDAY, MAY 6, 1932

The House met at 12 o'clock noon.

The Chaplain, Rev. James Spera Montgomery, D. D., offered the following prayer:

Again, O Lord, Thou hast remembered us in our estate. Surely Thy mercies are showered upon us in crowded succession. May a sense of Thy eternal goodness compel us to silence and to confession. In wonder and in gratitude do we thank Thee. We would cherish, Heavenly Father, the greatest of gifts, which is an honest and a contrite heart. Impart a force to our wills and a warmth to our hearts that shall more than compensate for our defects and excesses. Do Thou, O Lord, greatly enrich our country; bless it abundantly with the spirit of good will, with zealous philanthropic

labor, with high ideals, with an earnest, sensitive conscience, with a deep reverence for Thee, and with a charity for all men. Through Christ our Savior. Amen.

The Journal of the proceedings of yesterday was read and approved.

INSURANCE CORPORATIONS IN THE DISTRICT OF COLUMBIA

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to take up for present consideration Senate Concurrent Resolution No. 27.

The SPEAKER. The gentleman from Indiana asks unanimous consent for the present consideration of Senate Concurrent Resolution 27. The gentleman from Indiana explained this to the Chair this morning. It seems that some mistake was made in passing the bill, S. 3584, to require insurance corporations formed under the provisions of the Code of Law of the District of Columbia to maintain their principal offices and places within the District of Columbia. The Senate has passed the concurrent resolution asking the President to return the bill to the House and the Senate for correction. The Clerk will report the resolution.

The Clerk read as follows:

Senate Concurrent Resolution 27

Resolved by the Senate (the House of Representatives concurring), That the action of the Speaker of the House of Representatives and of the Vice President of the United States in signing the enrolled bill (S. 3584) to require all insurance corporations formed under the provisions of Chapter XVIII of the Code of Law of the District of Columbia to maintain their principal offices and places of business within the District of Columbia, and for other purposes, be, and the same is hereby, rescinded, and that the Secretary of the Senate be, and he is hereby, authorized and directed to reenroll the bill with the following amendment in the nature of a correction, viz: On page 1, line 11, of the engrossed House amendment, after the word "corporation," insert the following: "kept in a branch-office agency of such corporation."

The SPEAKER. Is there objection?

Mr. STAFFORD. Mr. Speaker, through the courtesy of the gentleman from Indiana, I became acquainted with the object of this resolution. I have given careful consideration to his proposal. In view of the fact the Senate has passed the concurrent resolution asking merely for a change of the Senate bill in one amendment, and the gentleman desires to incorporate an additional amendment, I believe it will be necessary to have the Senate concurrent resolution amended also, as well as the Senate bill.

Mr. LUDLOW. Mr. Speaker, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. LUDLOW to the Senate Concurrent Resolution 27: In line 11, after the word "following," strike out the word "amendment" and insert the word "amendments," and on page 1, line 12, strike out the words "a correction" and insert "corrections," and at the end of the resolution, strike out the period, insert a semicolon, and add the following:

On page 1, line 12, of the engrossed House amendment, after the word "agency," insert the following: "nor to any corporation created by special act of Congress wherein the principal place of business is fixed pursuant to such act at some other place."

The SPEAKER. Is there objection?

Mr. GILBERT. Mr. Speaker, further reserving the right to object, did the gentleman from Indiana take this matter up with the chairman of the District Committee, Mrs. NORTON?

Mr. LUDLOW. I took the matter up with the chairman of the Senate District Committee and with the gentleman from New Jersey [Mrs. NORTON], chairman of the House District Committee, also with the gentleman from New York [Mr. SNELL] and the gentleman from Wisconsin [Mr. STAFFORD], and I believe they are all agreed as to the desirability of this amendment.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The question is on agreeing to the concurrent resolution.

The concurrent resolution was agreed to.

SWEARING IN OF A MEMBER

Mr. TEMPLE. Mr. Speaker, I present Mr. HOWARD W. STULL, of the twentieth district of Pennsylvania, recently elected, who desires to take the oath of office.

Mr. STULL appeared at the bar of the House and took the oath of office.

EXTENSION OF REMARKS

Mr. SNOW. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting a letter which I received this morning from the chamber of commerce in my home city of Bangor, Me.

The SPEAKER. Is there objection?

Mr. UNDERHILL. Mr. Speaker, we have all received communications, and I object.

CALL OF THE HOUSE

Mr. HOWARD. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Nebraska makes the point of order that there is no quorum present. Evidently there is not.

Mr. BYRNS. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The doors were closed.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 71]

Abernethy	De Priest	Kemp	Rudd
Andrew, Mass.	Dickstein	Kendall	Sabath
Andrews, N. Y.	Douglas, Ariz.	Kennedy	Sanders, N. Y.
Arentz	Doutrich	Kerr	Schuetz
Bachmann	Drane	Kleberg	Selvig
Beam	Eaton, N. J.	Kunz	Shott
Beedy	Estep	Kurtz	Smith, W. Va.
Black	Evans, Calif.	Lamneck	Stalker
Boland	Foss	Lankford, Va.	Stevenson
Bolton	Freeman	Larrabee	Stokes
Boylan	Gifford	Lea	Strong, Pa.
Britten	Goldsborough	Lewis	Sullivan, Pa.
Buchanan	Griswold	Lindsay	Sweeney
Buckbee	Haines	Loofbourow	Swick
Canfield	Hartley	McDuffie	Taylor, Tenn.
Carley	Hawley	McGugin	Tierney
Carter, Wyo.	Hess	McLaughlin	Tucker
Celler	Hogg, Ind.	Manlove	Turpin
Chapman	Hornor	Martin, Mass.	Underwood
Clarke, N. Y.	Horr	Murphy	Vinson, Ga.
Cole, Md.	Houston	Nelson, Wis.	Warren
Collier	Hull, William E.	Oliver, N. Y.	Watson
Cooke	Igoe	Palmisano	Welsh, Pa.
Cooper, Ohio	Jeffers	Peavey	White
Corning	Jenkins	Perkins	Wood, Ga.
Crisp	Johnson, Ill.	Pratt, Harcourt J.	Wood, Ind.
Crowe	Johnson, S. Dak.	Purnell	Yates
Crump	Kading	Ransley	
Curry	Karch	Reid, Ill.	
Davenport	Kelly, Pa.	Romjue	

The SPEAKER. Three hundred and fourteen Members have answered to their names. A quorum is present.

Mr. BYRNS. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

A QUESTION OF PERSONAL PRIVILEGE

Mr. RANKIN. Mr. Speaker, I rise to a question of personal privilege.

The SPEAKER. The gentleman will state it.

Mr. RANKIN. On Tuesday, May 3, 1932, the New York Evening Post, a paper of general circulation throughout the country and especially in New York and Washington, published an editorial headed "Treason," in which it indicted 316 Members of this House of betraying our country.

I will read enough from that editorial to leave no doubt in the mind of anyone that it raises a question of personal privilege.

The editorial states:

An act of sheer treason to the Republic was committed by yesterday's vote in the House.

Under the rascally leadership of RANKIN, of Mississippi, the Members suspended the rules, choked off debate, and, by the overwhelming vote of 316 to 16, plumped for a bill pensioning widows and orphans of World War veterans.

The SPEAKER. The Chair thinks the gentleman states a question of personal privilege.

Mr. RANKIN. The editorial also states that—

Ever since, by legislation, Congress extended the period of the war, almost all pension and bonus bills have been dishonest.

On the same page, under an editorial headed "Write Your Congressman," they published a copy of a post card sent out

to individuals over the country by what they call a "non-partisan group," asking them to sign this post card and mail it to their Senators. Among other things, that post card has printed on it, "Kill the bonus and stop raids on the Treasury; enact fair sales tax and stamp tax," and so forth.

Then, commenting editorially, it reads:

This is an excellent idea, but it would be still better to write your Representative as well as one of your Senators. * * * Write both your Representative and at least one of your Senators.

Mr. Speaker, that editorial, as I said, brands as traitors 316 Members of the House of Representatives who voted for the bill for the relief of the dependent, penniless widows and orphans of veterans of the World War.

Permit me to say to you here what I have said elsewhere, that I have never in all my career impugned the patriotism of a single Member of Congress. Members may differ with me, I may disagree with other Members, but I am sure that every Member of this House is at least as patriotic as the slime-monger editor who penned that vicious editorial. [Applause.]

He says that we are pensioning the "favored few." In other words, the widows and orphans of veterans of the World War are considered the "favored few" by this paper that is owned by the Curtis Publishing Co., which also owns the Saturday Evening Post, the Country Gentleman, and the Ladies' Home Journal.

Of all people who are willing to accuse anybody of being the favored ones, the Saturday Evening Post and those who own the Curtis Publishing Co. are the last ones on earth who should make the accusation; and of all people on earth the dependent widows and orphans of the veterans of the World War are the last ones against whom it should be made.

This bill provides compensation for a great many widows and orphans of veterans who died of disabilities which were incurred in the World War. Many of them were unable to prove their service connection. That was the case in many instances in my State and in all other States.

When they finally passed away, their widows and orphans were denied a single penny of compensation. Some of them did not apply. There were a great many men who felt, through patriotic impulses, that they ought not to apply, yet when they passed away and this terrible crash came on, we find their widows and orphans penniless, and we attempt by this Rankin bill to provide a meager compensation of \$20 a month for the mother and \$6 a month for each child.

There were others who were ignorant, who did not know that they had a right to apply, and who were entitled to service connection on their disabilities. Not only that, but there were a great many of them who had service-connected disabilities and who had been so adjudged but who died from some other malady. I remember one woman wrote a Member of Congress and said that her husband was blind. He was blinded in battle and he drew compensation, but after the war he was accidentally killed or died from some other cause, and she was denied a single penny of compensation.

Therefore those all came within the provisions of this bill, and yet the editor of the New York Evening Post says that the men who voted to give this small compensation are traitors to their country.

I am going to pass this subject on, but let me say that as far as I am individually concerned I will never sit idly by and see the widows and orphans of World War veterans who honorably served their country in time of war begging their bread from door to door. [Applause.]

This bill was indorsed by the American Legion in every State in the Union. Practically every American Legion post from the Great Lakes to the Gulf and from ocean to ocean approved it. They indorsed it at their national convention.

The Veterans of Foreign Wars, every one of whom saw foreign service, indorsed it.

The Disabled Veterans of the World War, those men who were injured in the service, in every State in the Union, indorsed this bill, and it passed this House by an almost unanimous vote. Yet the editor of the New York Evening

Post says that those who voted for it committed treason against their country.

This New York Evening Post, as I said, is owned by the Curtis Publishing Co., the president of which is one Cyrus Hermann Kottzchmar Curtis. He is now 82 years old. Arthur Brisbane, perhaps the most brilliant editorial writer in the world, and certainly one of the best-informed men in America, said a short time ago that Mr. Curtis, who was wintering in Florida, has an individual net income of \$12,000,000 a year! He is the head of this publishing company that is now denouncing as traitors those who attempt to take care of the distressed widows and orphans of the World War.

This one man with his \$12,000,000 a year has a net income greater than that of all the farmers put together in the States of Mississippi, Texas, Illinois, or Iowa.

I pointed out in my speech some time ago that the Curtis Publishing Co. gets a bonus from the Government every week in the form of postal concessions.

A news dispatch from Philadelphia, dated February 10, 1930, said:

The annual report of the Curtis Publishing Co., publishers of the Saturday Evening Post and other magazines, indicates that its chief owner, Cyrus H. K. Curtis, will have only an academic interest in old-age pensions for another year at least.

Net earnings on invested capital for 1929 ran above 71 per cent. * * * In this connection it should be noted that the United States post office lost \$94,000,000 on second-class matter last year. That enormous subsidy to publishers is one reason why such concerns as the Curtis Co. can report 71 per cent profits on investment.

It was shown by the debate on the tax bill that second-class mail, consisting in the main of these large publications, get what you might term concessions of \$97,000,000 a year. In other words, it costs the Government \$97,000,000 a year more to carry their publications than they pay the Government, and as a result it enables them to send their publications at a cost to the Government and to monopolize advertisements that should go to the local weekly and daily papers throughout the country. I know, because I once owned a local paper, and I was a victim of this perfidious practice, as every newspaperman in a small town is to-day, be he the owner of a weekly or a daily paper. I am reliably informed that \$25,000,000 of this \$97,000,000 bonus went to magazines such as the Saturday Evening Post and that \$3,000,000 of it went to the Curtis Publishing Co. alone.

But I want to show you some of the advertising that they are monopolizing at the expense of the local publisher in your community and in mine and to give you some idea of what the country is paying for it. There [exhibiting] is a double-page advertisement that I am reliably informed brings \$10,000 a week. You pay them a bonus or allow them a concession through the Post Office Department in order that such advertisements may be carried at Government expense into every nook and corner, home, and hamlet in the United States. That is not the only one. There are seven of these double-page colored advertisements in this issue of the Saturday Evening Post, that is owned and operated by the Curtis Publishing Co., which owns this New York Evening Post, from which this scurrilous editorial comes.

You might look it over and see how much they are plundering the Government for in order to take their advertisements to every nook and corner of the United States. They do not care anything about the reading matter in that publication. Why, the paper in that magazine costs more than you pay for the magazine. It is an advertising vehicle, and the publishers are getting a rake-off, if you please, from the Federal Government to carry them into your communities to absorb the advertisements that ought to go to the struggling newspapers throughout the country.

Not only that, but there are 14 colored 1-page advertisements in this issue. I did not have time to count up all of this stuff. I am told that each of these 14 one-page advertisements costs \$5,000 a week. In addition to that, there are 18 whole-page advertisements such as this one [exhibiting] and a multitude of half-page advertisements and quarter-

page advertisements all the way through it. They get a bonus from the Government every week.

One reason they do not like me is because I exposed that when we were debating the tax bill some time ago. But they say that if you vote to take care of these World War widows and orphans, some of whom are standing in the bread line right in the shadow of the building in which these periodicals are published, you are a traitor to your country.

Mr. GILBERT. Mr. Speaker, will the gentleman yield right at that point?

Mr. RANKIN. I yield for just a question; yes.

Mr. GILBERT. We have heard that. I want to know why something is not done about it. Why raise postage on first-class matter? Is there no way in which we can rectify the matter?

Mr. RANKIN. I want to get to that. This advertisement which this editorial indorses says, "Enact a fair sales tax and stamp tax." They want to put another tax of 1 cent on the poor mother who writes a letter to her son who is out looking for a job, and then add a sales tax to everything she buys. The inspiration for a lot of this support of the 3-cent stamp on first-class mail came from the Saturday Evening Post, the Ladies' Home Journal, the Country Gentleman, and the muck-raking editor of the New York Evening Post, who, by his editorial attacks on Members of Congress, has rendered himself deserving of the just contempt of every decent mind.

Mr. Speaker, this paper represents concentrated wealth. It is the spokesman for the house of Morgan. It is the spokesman for those international bankers who have been trying to force us to adopt a sales tax and to pass the burden of running this Government on to the masses of the American people. We are suffering to-day from concentrated wealth. There has never been a period in all the history of mankind when wealth has concentrated into the hands of a few as rapidly as it has in the last few years.

In 1921 there were 21 individuals in the United States with yearly incomes of \$1,000,000 or more. In 1929, the last year for which we have complete figures, there were 513. In 1921 only 21 individuals had incomes of \$1,000,000 a year. In 1929 there were 513 with incomes of \$1,000,000 or more a year. They had multiplied twenty-five times.

In 1921 there were 53 individuals with incomes of from \$500,000 to \$1,000,000 a year. In 1929 there were 976. They had multiplied fifteen times. In 1921 there were 162 people with yearly incomes of from \$300,000 to \$500,000. In 1929 there were 1,641. They had multiplied ten times.

During that time the people in the agricultural States had gone down and down and down in the economic scale, until to-day they are bankrupt; they are hopelessly appealing to this Government to bring them some measure of relief.

During that time the administration reduced income taxes, under the pressure of these big interests, \$750,000,000 a year. If we had collected that tax all along and had it in the Federal Treasury to-day, we would have a balanced Budget; we would have sufficient money to pay these widows and orphans; to pay off the veterans' adjusted-service certificates, and to meet the obligations of this Government. But they pressed and pressed until they secured these reductions.

Mr. CONNERY. Will the gentleman yield?

Mr. RANKIN. For a brief question.

Mr. CONNERY. This editorial says this was not done for the benefit of the men who fought in battle. I had a man in my office yesterday who was in a combat unit in France. He is getting \$18 a month, although he is 50 per cent disabled. He is getting that small amount because he would not report his injury, but chose to stay in the battle line; and if he should die to-morrow his widow would not get a nickel, would she?

Mr. RANKIN. Not unless this bill becomes a law.

Now, Mr. Speaker, in the last few years, under the pressure of this same element, there has been turned back to these big income-tax payers \$3,000,000,000. Three billions that it is claimed they had overpaid. If we had that money in the Treasury to-day—and in my humble opinion if those

cases were reexamined we would get most if not all of it back into the Treasury—we would have the money with which to balance the Budget.

In addition to that, these same international bankers, represented by the New York Evening Post and by the Saturday Evening Post, demanded that we fund the foreign debts. Why? In order that they might strengthen their foreign loans. By their pressure they forced through a bill that reduced the foreign debts to an extent that it cost the American people \$6,200,000,000. Last year they came in and demanded a moratorium by which we relinquished for the time being, at least, \$262,000,000. Now, this same element is demanding a further moratorium, if not further reductions and cancellations of these foreign debts, in order to strengthen their securities, or loans, abroad.

O Mr. Speaker, this concentration of wealth is what is ruining this country to-day. Less than 5 per cent of the people of this Republic own more than 90 per cent of its wealth, and yet we have more suffering, more failures, more foreclosures, more bankruptcies, more hunger, more unemployed, and more suicides than we have ever had in all the history of mankind.

They attack us because they do not want taxes raised on the larger estates of this country. The only way on earth to reach these large estates, to break up these large fortunes, and turn this money back into the channels of our economic life is by raising the inheritance tax, yet they are trying to head that off by demanding in this editorial that we impose a sales tax upon everything the laboring man buys, from the swaddling clothes of infancy to the lining of the coffin in which old age is laid away, and on even the tombstone which marks his last resting place.

Mr. McGUGIN. Will the gentleman yield?

Mr. RANKIN. Yes.

Mr. McGUGIN. Is it not a fact that the sales tax which was voted upon in this House exempted food, clothing, and drugs?

Mr. RANKIN. Oh, that is beside the issue. They merely wanted to establish the policy now. Then they could amend the law later to include everything.

They want to place that tax on the laboring man, on the very pail in which he carries his lunch. Every farmer would be taxed on everything he wears and everything he eats before this sales tax would finally be consummated. They want to press down upon the backs of the American people the burden of running this Government and turn these widows and orphans out into the cold without one penny during this period of the greatest economic depression the world has ever known.

As I said a while ago, the concentration of wealth, together with its twin evil, the centralization of political power, go hand in hand. They have been the wreck and ruin of every nation whose skeleton marks the shores of time.

When Rome fell 600 people owned the Roman Empire. When Cæsar was murdered he was fighting a group of financial Shylocks who were charging the people of Rome 48 per cent interest. They hired their minions to destroy him, and when they had slain the greatest statesman as well as the greatest friend of the common people of ancient times they stooped and bathed their traitorous hands in patriotic blood and said to each other, "How many ages hence shall this lofty scene be acted over in states unborn and accents yet unknown?"

To show you how prophetic they were, to-day we see the editor of the New York Evening Post, this minion of predatory wealth, not bathing his hands in the blood of a Cæsar but in the tears of the suffering widows and orphans of the World War, arrogating to himself the patriotism of the country and denouncing you as a traitor.

When Babylon fell 1 per cent of the people of Babylon owned practically all the wealth. When Egypt fell one family owned the Egyptian Empire. Everywhere that there has been a concentration of wealth and a centralization of power it has resulted in governmental degeneracy, national decay, and the ultimate fall of the country in which it prevailed.

One of the great orators of this country once said that it took Rome 400 years to die; that our death, should we perish, will be as much more terrific, as our intense civilization has given us more bones and sinew and nerve and strength and vitality.

Unless we turn back this wave of wealth control, unless this Congress rises to a level it has not risen to so far, and places the burden of running this Government where it belongs, and relieves the American people from the clutches of those who control the finances of this country, I am not sure that we will not have embarked upon a decline that will end in the wreck and ruin of the most glorious republic that ever existed in the tides of time. [Applause.]

But this editor says that we are dishonest because we advocate the payment of the veterans' adjusted-service certificates. This charge is not new. Ogden L. Mills, the Secretary of the Treasury, speaking before the Ways and Means Committee the other day, branded our motives as dishonest and said we were trying to pay these veterans in dishonest dollars.

Well, we are trying to use the same kind of dollars that were issued by Abraham Lincoln during the Civil War. They were not called dishonest then, and while, as I have said, I am what you might term a radical southerner, I would be very glad indeed if we could swap Ogden Mills for Abraham Lincoln to-day. [Applause.] I would consider it a glorious exchange. [Applause.]

They say this money is not due. If we had paid these boys the same rate of interest that we paid the profiteers and contractors during the war, it would have been due in October, 1931—every dollar of it.

But they say we are trying to issue dishonest money. We have had this hearing before the Ways and Means Committee, and the best economists in America have said that this money would have behind it the same amount of gold that is now behind the money issued through the Federal reserve system. Every one of them agreed that there must be an expansion of the currency or there must be an expansion of credit. There was only one exception, and that was a Doctor Kammeyer, who seems to be the self-appointed guardian of the gold standard throughout the world, and about the only remedy he offered was to let the patient die. He was, apparently, the representative of the house of Morgan, indirectly, at least, in South America, at the time those South American bonds were being issued and unloaded upon the people of this country, and if he was and did not know about it, he is not sufficiently informed on economic matters to follow, and if he did know about it and did not inform the American people, he is unfit to follow.

Again, we propose that if they do not take that bill, to take the Owen bill and issue the money through the Federal reserve system. You would not call it dishonest money then. You did not call it dishonest money when they were financing the stock "jamboree" in 1929.

It has never been dishonest money. That money will be just as honest and worth dollar for dollar with every other American dollar in existence to-day.

But, they say, if you expand the currency the dollar will go down, and they tell us that all the bonds in the United States, including municipal bonds and railroad bonds, are payable in gold. Suppose they are. There is not enough gold on earth to pay them. Nobody ever demands the gold, and to show you that this would have no effect on these bonds, in 1914 we had only \$34.93 per capita in circulation. In 1920 we had \$53.21, or \$18 more per capita, and yet those bonds did not depreciate; but I will tell you what did happen and what will happen again. Cotton went to 30 cents a pound, wheat went to \$2.50 a bushel, corn went to \$1.75 a bushel, and if you will expand the currency to that extent and put it in circulation, it will do the same thing again.

Some of you may think we are expanding the currency now. I will prove to you that we are not. We are going downward in a vicious circle.

The money that you appropriated here for the \$2,000,000,000 corporation goes to the local bank and is immediately paid—

Mr. JOHNSON of Washington. Mr. Speaker, I make the point of order that a discussion of Julius Cæsar and a vicious circle is not discussing the question of privilege.

The SPEAKER. The gentleman from Mississippi will proceed in order.

Mr. RANKIN. I am answering this editorial and the gentleman from Washington is not going to make my speech. [Applause.]

The small banker pays the large banker what he owes him, because he is pressing him; and he in turn goes to the Federal reserve and takes up his bonds and that money is retired, and instead of inflating or expanding, we are moving in a vicious circle and going down and down and contracting the currency every month. To show this, from December 31, 1931, to January 31, 1932, we contracted \$5,000,000; and from January 31, to February 29, we contracted \$38,000,000.

And from that time to March 31 we contracted \$144,000,000.

The Washington Post of April 29 said, speaking about the report of the Federal Reserve Board, that it reported \$27,000,000 shrinkage in the currency up to April 29. That brings it up to date. That shows that we are contracting our currency, while conditions are growing worse as a result. Wheat, cotton, and corn and all other commodities are lower to-day than at any time previous; and yet those of us who are trying to remedy the situation by bringing about an expansion of the currency, those of us who are trying to bring back the prices of agricultural commodities, are denounced by the Secretary of the Treasury as attempting to have the Government issue dishonest money.

Something must be done. We can never pay these bonds in gold.

Mr. JOHNSON of Washington. Mr. Speaker, I make the point of order that the gentleman is not speaking to the question of personal privilege.

The SPEAKER. The gentleman from Mississippi must confine himself to the question of personal privilege.

Mr. RANKIN. The gentleman from Washington did not want me to get the floor. That is the trouble with him.

The SPEAKER. Let the Chair make a statement. The gentleman from Mississippi is speaking to a question of personal privilege, where the Members of the House are charged with treason and the gentleman from Mississippi [Mr. RANKIN] is charged with being a rascal and leading them. The question before the House is whether it is a treasonable House and whether or not the gentleman from Mississippi is a rascal. [Laughter and applause.]

Mr. RANKIN. I see that one of the alleged traitors was the gentleman from Washington [Mr. JOHNSON]. I am trying to protect him from his friends. [Laughter.]

Mr. Speaker, we must stop this concentration of wealth. We must bring back the purchasing power of the American people if we are to have a new era of prosperity. When we have done that, Mr. Speaker, when, instead of the rule of gold, we have reestablished the Golden Rule in our national and international relations, we will have stepped forward into a new era and a new civilization. [Applause.]

We can then witness the dawning of that glorious age of which Tennyson dreamed when he said:

For I dipt into the future, far as human eye could see,
Saw the vision of the world, and all the wonder that would be;
Saw the heavens fill with commerce, argosies of magic sails,
Pilots of the purple twilight, dropping down with costly bales;
Heard the heavens fill with shouting, and there rain'd a ghastly dew
From the nations' airy navies grappling in the central blue;
Far along the world-wide whisper of the south-wind rushing warm,
With the standards of the peoples plunging thro' the thunder-storm;
Till the war-drum throbb'd no longer, and the battle-flags were furled
In the Parliament of man, the Federation of the world.
There the common sense of most shall hold a fretful realm in awe,
And the kindly earth shall slumber, lapt in universal law.
Godspeed that day when it shall come. [Applause.]

Mr. LUCE. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. LUCE. Do I understand the Chair to rule that language denouncing the Congress gives warrant for a question of personal privilege?

The SPEAKER. No. The Chair did not say that. The editorial read to the House, and which the Chair examined this morning, charged the House with having been guilty of treason and charged the gentleman from Mississippi [Mr. RANKIN] with being a rascal and leading the treason of the House. The Chair thinks undoubtedly that is a reflection upon the character of the gentleman from Mississippi. It calls him a rascal and charges that he was leading a treasonable House. If that is not a reflection on his character, the Chair does not know how to interpret the English language.

Mr. LUCE. May I further inquire if a statement by a Democratic correspondent, printed in a Democratic paper, in respect of the action of which the gentleman from Mississippi has addressed himself, to the effect—

That is bad enough; but when this economy debacle follows closely upon the 5-to-1 passage of a general pension bill for widows of war veterans, adding millions more to the billion dollars already being paid for soldier compensation, rotten is the only word to use. If this has been matched in cowardice and stupidity, it can not now be recalled—

would give me warrant to rise to a question of personal privilege?

The SPEAKER. Whether the writer of the article referred to be a Democrat or a Republican, or whether the article be published in a Democratic, a Republican, or a Socialist paper, the question is, Has it general circulation in the United States, and does it reflect on the character of a Member? A general indictment against the membership of the House is not a question of personal privilege.

Mr. LUCE. May I further inquire whether language by which the leaders of the House are severely criticized in this article would permit one who is not a leader of the House to rise in their defense?

The SPEAKER. It would undoubtedly permit the gentleman from Massachusetts to do that. [Laughter.]

STATE, JUSTICE, COMMERCE, AND LABOR APPROPRIATION BILL

Mr. OLIVER of Alabama. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill, H. R. 9349, making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1933, and for other purposes, with Senate amendments thereto, disagree to all of the Senate amendments, and ask for a conference.

The SPEAKER. Is there objection?

Mr. THATCHER. Reserving the right to object, and I shall not object, for I believe that all of these appropriation bills should go to conference, I reserve the right to object in order to ask the gentleman whether the Senate cut in respect to mining activities, amounting to \$123,000, and for an air mail route in the Northwest, \$200,000, will have the effect of curtailing the appropriations made for the Department of Commerce by the House?

Mr. OLIVER of Alabama. I think the House can rely upon the conferees carrying out the wishes of the House.

Mr. THATCHER. As expressed in the passage of the bill originally?

Mr. OLIVER of Alabama. And I will make this further statement: I have had sufficient information to lead me to conclude that the House would not like the total amount carried by the Senate to be increased, should the conference committee decide to recommend any increase, without the matter being first submitted to the House for approval or disapproval. That will be done.

Mr. LaGUARDIA. The gentleman from Kentucky refers to the increase in the Bureau of Mines. I understand that it was admitted in the House by the gentleman who offered the amendment reducing the appropriation for the Bureau of Mines that that cut was too great and would impair the activities of that bureau. The gentleman has that in mind.

Mr. THATCHER. But these items of increase are in no wise as important as the items of the Department of Commerce unduly decreased in the other Chamber.

Mr. OLIVER of Alabama. My statement related to the total amount carried by the Senate bill, and not to any specific appropriation; but if the conferees should decide to recommend any increases in the total amount, the matter will be first brought back to the House for its approval.

The SPEAKER. Is there objection?

Mr. LINTHICUM. Mr. Speaker, I reserve the right to object. I would like to have five minutes in which to discuss the bill before it is sent to conference.

The SPEAKER. Would the gentleman be satisfied to address the House for five minutes under the unanimous-consent agreement?

Mr. LINTHICUM. Yes; that would satisfy me.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The Chair appointed the following conferees:

Mr. OLIVER of Alabama, Mr. GRIFFIN, Mr. CANNON, Mr. BLANTON, Mr. SHREVE, Mr. TINKHAM.

The SPEAKER. The gentleman from Maryland asks unanimous consent to proceed for five minutes. Is there objection?

There was no objection.

Mr. LINTHICUM. Mr. Speaker, it will be impossible for me to go into this bill in this State Department appropriation in a short time, but I want to call the attention of the conference committee and of the House to the destruction which the Senate has wrought to this bill.

<i>Facts in regard to the appropriations for the Department of State</i>	
Appropriations for 1932.....	\$18,365,073.34
Budget estimates, 1933.....	16,683,071.89
Amount approved by the House, 1933.....	15,192,148.33
Amount approved by the Senate, 1933.....	13,658,761.12

The appropriation carried in the bill as approved by the Senate is—

Below the House bill, 10 per cent.

Below the Budget estimates, 18 per cent.

Below the appropriation for the current year of 1932, 26 per cent.

Department of State partially self-supporting

Appropriations in House bill.....	\$15,192,148
Fees received and deposited in the Treasury:	
From the Foreign Service.....	3,135,226
From passports issued.....	828,789

Net estimated expenditure in 1933..... 11,228,133

Appropriations compared with business gained through efforts of the Foreign Service

Appropriations in House bill.....	\$15,192,148
Dollars and cents results of trade promotion by consular officers, 1931.....	19,361,239

Excess of trade results over appropriation for 1933 as approved by the House..... 4,169,091

If we take the Senate amount, it shows an excess of \$5,702,578.

SOME EFFECTS OF ACCEPTANCE OF SENATE REDUCTION

Officers and employees to be dismissed, distributed among practically all of the States of the Union, 456.

Percentage of entire personnel dismissed, 9 per cent.

Discontinuance of passport agency at Seattle.

Discontinuance of courier service between diplomatic missions in Europe.

Discontinuance of all post allowances.

Discontinuance of all representation allowances.

Reduction of quarters allowances from an average of \$800 to \$624, or possibly even to \$327.

Reduction of commercial work just when our depressed condition makes markets necessary.

Expenditure of additional \$200,000 for Foreign Service transportation.

Handicapping of the Mexican and Canadian Boundary Commissions.

Violation of obligation of United States to International Prison Commission, International Commission of Tables of

Constants, International Institute of Agriculture, International Society for Exploration of the Arctic Regions, International Fisheries Commission, International Road Congress, and Gorgas Memorial Laboratory.

Handicapping of the United States Court for China.

I call the attention of the conferees to the fact that in a bill which I introduced in this House during the early part of the session, which passed the House and is now on the Senate Calendar and will pass the Senate, provision is made for \$698,000 additional revenue from the passports of persons traveling abroad.

The Senate has appropriated \$2,365,438 for salaries of clerks in the Foreign Service. This is a reduction of \$351,000 below the Budget estimate and nearly \$300,000 below the House appropriation. If the conference committee allows this great reduction to prevail, it will mean that some 130 clerks who have been trained in the service, are efficient, and are highly necessary will have to be dropped from the rolls. Most of them will be American clerks because, receiving the highest salaries, they will likely be dismissed in order to save the most money. This reduction will throw out of employment many persons who have families to support and who have, by legislation enacted by this Congress, been given every right to consider their positions permanent. The irony of the thing, however, is this: The reduction will not be much of a saving, because the Government will be compelled to pay their transportation back home, together with that of their families and their effects. This would amount to probably \$60,000 or \$70,000, so while you will lose the services of 130 well-trained, able, and efficient clerks you will really gain very little in saving.

Then, again, the Senate has appropriated for salaries of Foreign Service officers \$3,075,000, a reduction beneath the Budget of \$365,000. Of this, \$66,000 was intended to be used for promotions and increases of salaries under the present law, but, according to the bill passed by the House several days ago, all promotions and increases of salaries have been obliterated for the next year. These increases and promotions would have amounted to \$66,500, as that has been cut out. There is left a difference of \$298,500 in the reduction of these salaries for Foreign Service officers. If this deduction is allowed to prevail, there must be dismissed from the service approximately 140 officers, some 18 per cent of the career personnel. They must be dropped from the service at a time when we are absolutely in need of more business, and this business can practically be obtained only by the Foreign Service officers.

Mr. SHREVE. Will the gentleman yield?

Mr. LINTHICUM. I yield.

Mr. SHREVE. Is there any provision in the law made for bringing those men home?

Mr. LINTHICUM. Yes. They are our men and we are compelled to bring them home just as they went.

It would be a terrible thing to dismiss these clerks and Foreign Service officers at a time when the country needs them most. Moreover, it would have a very deterrent effect upon young men who desire to enter the service who heretofore have considered it a permanent position for life and trained themselves for it to such an extent that they are of little use in any other profession or career. These men, with their clerks, have brought to the country in export business, as I have said, \$19,300,000—about \$5,500,000 more than the appropriation bill, as it passed the Senate, provided. This reduction would be of little service to the country as a saving proposition, because in their case, as in the case of the clerks, they must be brought home with their families and effects at Government expense, and it is estimated that this would cost around \$125,000.

Mr. BLANTON. Will the gentleman yield?

Mr. LINTHICUM. I yield.

Mr. BLANTON. The gentleman knows that the Budget is the agent of the President, to do his will. The President's Budget, which was brought in here last December, asked us to appropriate about \$4,000,000,000 and on yesterday he came in and said he had made a mistake; that he wanted us to reduce it \$361,000,000.

Mr. LINTHICUM. The gentleman ought not to take my time for that.

Mr. BLANTON. Does the gentleman think we ought to go on doing what the gentleman suggests, regardless of what the President says?

Mr. LINTHICUM. I will be frank with the gentleman and say that I think the House has been doing too much what the President wants done already.

Mr. BLANTON. We have been doing more in the way of economy than he wants us to. We have been reducing expenses and he did not want it done or he would not have brought us his \$4,000,000,000 Budget.

Mr. LINTHICUM. If the gentleman will read the President's address to-day he will find that while the House has been following the President, he will bring it back upon the Democrats as a boomerang.

Mr. BLANTON. We are 50 miles ahead of the President on economy at every stage of the proceedings.

Mr. LINTHICUM. Now, I speak particularly to the gentleman from Alabama, chairman of the committee.

Now, my suggestion to the conference committee on the proposition of clerks and Foreign Service officers, is to take the \$698,000 which would come into revenue by virtue of H. R. 9393, entitled "To increase passport fees, and for other purposes," now on the Senate Calendar and assured of passage, and with that fund in contemplation, restore to the clerks the \$251,000 and to the Foreign Service officers the \$298,000, making a total of \$649,000, and let us have a continuation of the splendid Foreign Service which we now enjoy. It would not be a bad idea to add to that \$649,000 the \$32,000 which has been lopped off the contingent expenses so that we may continue that service as heretofore.

As I have said, it will cost around \$200,000 to bring these men home so that the appropriation of the \$649,000 would be only about \$449,000 additional to what has been provided.

Mr. OLIVER of Alabama. Will the gentleman yield?

Mr. LINTHICUM. I yield.

Mr. OLIVER of Alabama. The committee will give very careful consideration to every matter connected with these different appropriations, but may I say to the gentleman there is one matter that his own committee should give attention to, and that is a Senate amendment, adopted without any hearing in the closing days of the last session of Congress, relating to personnel legislation, which I think many Members of the House know nothing about, and into which the gentleman's committee should give some definite information to this House. It was bad legislation, and passed without the House having an opportunity to consider it.

Mr. LINTHICUM. I think so, but that does not affect this appropriation bill.

Mr. OLIVER of Alabama. Yes; it has affected this very appropriation.

Mr. LINTHICUM. I further suggest to the conference committee and to this House that the appropriation of \$625,000 for salaries of ambassadors and ministers, which has been reduced some \$21,500 below the actual salaries provided by law, that this appropriation be so amended that salaries which were intended for unfilled positions may not be impounded. In that way the appropriation will be sufficient. If this is not done, certainly there must be an additional appropriation, because these salaries are provided by law and must be paid.

I neglected to say that under the contingent expenses there is provided a courier service throughout Europe which seems to me absolutely essential and which every country maintains. It was my pleasure to travel with one of these courier men last year en route to Istanbul—a man named Stevens, who had a most enviable history, a very capable man, and it has been only within the last few days that I heard of his death. His associate in this service is a man named Warren M. Hamilton, who is now carrying on the service.

No successor to Stevens has been appointed so far as I know. It is a service which is generally unknown. These couriers starting from Paris carry bags of mail belonging

to the United States Government and also important documents, and leave them in the hands of some person connected with the embassy or legation in the respective cities. For instance, Stevens was on his way from Paris, Vienna, Budapest, Belgrade, Sofia, Istanbul, and then on the Bosphorus and the Dardanelles to Athens, Italy, and on back to Paris, and so this courier service goes on every two weeks through Europe. Others go to the north, covering all the legations and embassies of the United States in Europe.

Unless this contingent expense account is increased above what the Senate has provided, this courier service will most likely be dropped, which would be a very dangerous proposition on the part of the United States Government.

I think it is very much to be regretted that the Senate has reduced the post allowances to \$50,000, one-half of that appropriated in 1932 and \$100,000 less than the Budget estimate. This big reduction will work a hardship upon Foreign Service officers who have depended upon it to make both ends meet. It will, moreover, bring about a great uncertainty in regard to compensation and allowances which have been so disastrous in the past. Certainly the conference committee on the part of the House should at least restore the amount to \$100,000, which was provided by the House of Representatives when the bill passed.

Representation allowances have been practically wiped out by the Senate. The Budget estimate for 1933 is \$125,000, and the House cut it to \$25,000, which is totally and absolutely insufficient and just casts us back upon the old policy that these places are intended for the rich and not for the poor or those of moderate means. Young men who may be the ablest in our land, but who have not had the time to amass a fortune, will be completely cut out. At least one-half of the ambassadors and ministers are men who have risen from the ranks, are of long service, found to be absolutely capable, and have been promoted to their positions. Many of them are not men of means, and if too much is taken from their allowances they will not be able to continue in the service.

There are many other items as suggested by the first part of my speech which have been sorely cut by the Senate. I trust the conference committee of this House may examine these provisions carefully and restore to the bill as near as possible the appropriations as made by the House of Representatives. This may be a time of depression, it may be the time for cuts in the various appropriation bills, but this is one service which brings to the Government a very large sum as an offset to the appropriations made. It brings to the country a large export business, and it is the only "peace" department of the Government. Its endeavors to keep in touch with foreign matters and to adjust them in accordance with universal opinion is of great importance. As I say, it is a shame to maim a department of this kind, and it is my sincere wish that the conference committee may remedy the situation as far as possible.

The SPEAKER. The time of the gentleman from Maryland has expired.

WAR DEPARTMENT APPROPRIATION BILL

Mr. COLLINS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 11897) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1933, and for other purposes; and pending that motion I ask unanimous consent that the House proceed to-day with general debate, the time to be divided between the gentleman from California [Mr. BARBOUR] and myself.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. BARBOUR. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from Mississippi if there is any agreement about to-morrow?

Mr. COLLINS. No; but later in the day I will probably make a suggestion that anybody who desires to speak on extraneous subjects speak to-day so that the debate that follows to-morrow will be confined to the bill.

Mr. BARBOUR. Has the gentleman considered adjourning over to-morrow and taking up the bill on Monday?

Mr. COLLINS. No; I have not. I think we ought to proceed with this bill to-morrow.

Mr. BARBOUR. Will the gentleman consider that during the afternoon along with the other matter?

Mr. COLLINS. I will be glad to consider it, but I am afraid I will not be able to act in accordance with the gentleman's wishes.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Mississippi.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 11897, with Mr. LANHAM in the chair.

The Clerk read the title of the bill.

Mr. COLLINS. Mr. Chairman, I yield to the gentleman from Tennessee [Mr. BYRNS] 30 minutes.

Mr. BYRNS. Mr. Chairman, the pending bill is the last of the annual appropriation bills which will be presented to the House. I have heretofore made statements to the House relative to the amount of reductions which have been made in the previous bills.

I want to take this opportunity to express what I am sure ought to be the appreciation of the House, the country, and their own constituents, to the members of the subcommittee, of which the gentleman from Mississippi [Mr. COLLINS] is chairman, for the work done by this committee and in the preparation of this bill. [Applause.]

I shall not discuss the bill except to refer to the reduction. This bill carries a total appropriation of \$386,793,861, as reported to the House by the committee. That constitutes a reduction below the President's estimates of \$24,569,901. The total reductions which have been reported to the House by the Committee on Appropriations upon this and all previous bills, and which have passed the House, amount to \$161,455,101.56. [Applause.]

In my judgment, that is a most remarkable showing, especially when we are told in the President's message on yesterday that the reductions must come from a sum not exceeding \$1,700,000,000.

Let me say again what I have had occasion to say heretofore upon this floor in connection with these reductions, that the reductions have not been made in a haphazard manner.

I want to say to the credit of every member of the Committee on Appropriations on both sides of the Chamber that no committee has ever given more painstaking, more earnest, or more careful consideration to every item of the various appropriation bills than have the members of the Committee on Appropriations who have prepared and reported these bills. For weeks and for months the subcommittees have sat in session holding hearings and examining those who appeared in behalf of the various items contained in the bill.

There was no understanding at the outset that any particular item or any particular bill was going to be reduced in any particular amount. The only understanding that the Committee on Appropriations had when it began the consideration of these estimates was that it was not in any single instance going to increase any item of a bill, and that it was going to cut every item that it possibly could to the bone. [Applause.]

And I want to say to you that from my examination of these items and these bills, and from my long experience of more than 20 years upon the Committee on Appropriations, that no committee has ever performed a better job than your Committee on Appropriations. I say that with reference to the membership on both sides of this Chamber [applause], because, as has been often said, the question of appropriating money is by no means a partisan matter. It has no place in politics, and I am sorry that anyone, no matter how high the position he holds, has sought to drag

it into politics and make it a political football, possibly, in the coming campaign. [Applause.]

I am going to ask unanimous consent to extend my remarks by including the figures which show the various reductions made in the estimate submitted by the President. Let me remind you that had it not been for your Committee on Appropriations and this House, which was so sharply criticized on yesterday, you would have been put in the attitude of appropriating at the request of the President \$161,000,000 more than was appropriated for the year 1933.

Mr. BLANTON. More than we have appropriated.

Mr. BYRNS. More than we have appropriated.

Mr. CROSSER. Is it the gentleman's statement that the President recommended \$160,000,000 more than has been appropriated?

Mr. BLANTON. We have cut him down that much.

Mr. CROSSER. That is what I mean.

Mr. BYRNS. Mr. Chairman, I wish the further right to extend my remarks by inserting a table that shows a reduction from the appropriations for 1932 of \$563,601,223.35.

Mr. LINTHICUM. I did not understand the gentleman's last statement; I did not understand to what the five hundred millions of dollars referred.

Mr. BYRNS. That is a reduction in the appropriations which were made for 1932.

Now, I recall—and I see my friend in front of me—that the only criticism which has been made of the Committee on Appropriations for its reduction came from my friend the gentleman from Nebraska [Mr. SIMMONS]. He told this House that the real reductions did not amount to more than forty or fifty millions of dollars, or some figure like that, and that we would have to come back here next winter and make deficiency appropriations to cover the remainder, when his President and mine in his message yesterday said that these estimates could be cut—his estimates, mind you—\$331,000,000. I wonder what the gentleman from Nebraska will have to say to that! It was an unkind blow to the gentleman who made his criticism immediately after a call at the White House.

And while I mention that, let me call your attention to the fact that these estimates were sent up here last December. I say it is an indictment of himself—and I am speaking plainly—and an indictment of his Budget and an indictment of every head of his departments when he tells us within four months after he submitted these estimates that they ought to be cut \$331,000,000 below the amount that he told us last December we ought to appropriate. [Applause.] I do not like to talk this way, but the time has come for plain speaking, and if my words can be a criticism of anyone, I will have to let the facts speak for themselves.

Why was it that the President of the United States, last December, did not tell Congress to cut these estimates \$331,000,000? [Applause.]

Mr. BLANTON. Why did he not do it himself? It was his Budget, and he had the power and authority to cut it as low as he desired.

Mr. BYRNS. As the gentleman from Texas says, Why did he not go farther and do what the Budget law imposes upon him as a sacred duty and cut them himself, if he thought they could have been cut to that extent?

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. BYRNS. No; I am sorry, I can not yield now. I will yield later.

Now, gentlemen, it will not do now, when the country is aroused over this question of taxation and expenditures, to come before you with a general statement saying that his estimates should have been reduced to the extent of \$331,000,000.

I repeat, I do not know of a greater indictment that could be drawn against the President of the United States, if you permit me to say it, and his Budget than the statement contained in his message of yesterday with reference to what ought to be appropriated.

Mr. PETTENGILL. He indicts himself.

Mr. BYRNS. As my friend the gentleman from Indiana says, he indicts himself in the statement he has made. I am sure that the taxpayers, whether in his party or in mine, are going to wonder why it is that the President has been so long waking up to the real situation which confronts our country.

Mr. HASTINGS. And the Budget is given \$190,000 with which to employ experts and clerical help to prepare these estimates for the President.

Mr. BYRNS. Exactly. The Budget law, as every Member of this House knows, was passed for the purpose of providing machinery by which the President might examine into every estimate submitted by the departments, and it placed upon him and upon no one else the responsibility of sending those estimates to Congress. That is the foundation of the Budget law, and the President can not escape the responsibility which rested upon him in December as well as at the present time.

Mr. BLANTON. Will the gentleman yield?

Mr. BYRNS. For a brief question.

Mr. BLANTON. The President could have told his Budget Bureau not to make Budget estimates for more than \$2,000,000,000 and they would have been forced to comply with his will.

Mr. BYRNS. Of course. Let me tell you something else with reference to these reductions made by the Committee on Appropriations of the House. Everyone remembers that when the first bill, the agricultural bill, was reported to the House, carrying a reduction of \$10,834,000 plus, the Secretary of Agriculture, a member of the President's Cabinet, and supposed to stand for him and represent his views, gave out an interview in which he criticized the Committee on Appropriations for having reduced the estimates in that amount. Then when the Interior Department bill came along, the Secretary of the Interior, generally supposed to be closer to the President than any other member of his Cabinet, gave out an interview in which he harshly criticized the committee and the Congress and in which he said they had absolutely crippled his department because they reduced his estimates in the sum of \$5,600,000. Then the Secretary of War added his note of protest against the reduction in some speech he made or some letter he wrote to a paper in Missouri.

That is the cooperation your committee has received from the President's own official Cabinet in its efforts to reduce the expenditures of this Government. [Applause.] Talk to me about cooperation.

Mr. JOHNSON of Oklahoma. Will the gentleman yield?

Mr. BYRNS. For a brief question.

Mr. JOHNSON of Oklahoma. Is it not true that the President's Secretary of the Treasury, along with other Cabinet members, joined in the protest to the House against reducing the estimates of the Budget?

Mr. BYRNS. A number of them did so—I will not include them all, but I remember three of them in number—have uttered a criticism because of reductions made in these estimates.

Mr. BLANTON. If the gentleman will permit, the Secretary of State, the Secretary of Commerce, and the heads of all departments have sent an army up here before the Appropriations Committee seeking to have their Budget estimates granted in full and in every particular.

Mr. BYRNS. Oh, yes. I wish some of you gentlemen—I know you are busy on your own committees and with your own important and responsible duties with reference to legislation pending before them, but I wish some day when you have a moment to spare you would look over these hearings and see how little help the Committee on Appropriations has received from those in the executive departments in its effort to accomplish something in the interest of the tax-paying public of the United States.

Mr. TABER. Will the gentleman yield?

Mr. BYRNS. For a brief question.

Mr. TABER. I understood the gentleman to say that the President in his message last night had suggested that we

might save \$700,000,000 below the Budget estimates submitted. As a matter of fact, the President stated this:

A drastic program of economy, which, including the savings already made in the Executive Budget of \$369,000,000, can be increased to exceed \$700,000,000 per annum.

Mr. BYRNS. I thank the gentleman for that correction. I was not absolutely certain when I stated the figures, and I will correct them before they are printed in the permanent RECORD. However, the point is that he says his own Budget estimates should be reduced by the sum of \$331,000,000 from that which he submitted in December, and I submit to my good friend from New York that that in no way relieves him from the indictment which he drew for himself on yesterday.

Mr. FULLER. Why does he not tell us how that \$331,000,000 can be saved?

Mr. BYRNS. I am coming to that. There is no use in trying to fool the American people. Do not forget that every man who pays taxes and every man who is suffering back home knows what is going on here, and he is not going to be misled by a lot of glittering generalities or general statements to the effect that this or that can be done.

The gentleman from Arkansas asked why the President did not tell us just where these reductions could be made. Let me tell you something. A few months ago the President sent a message in which he said he would like to have the Congress abdicate its powers and delegate to him the right to legislate in effecting consolidations and eliminating duplications. I am not going to take up your time by doing more than to refer to the fact that for three years the President sat mute, although he ought to have known, as everybody in this House and in the country knew, that a crisis was impending. That we have a deficit is not new knowledge. We have known for several years that your Government and mine was living beyond its income. Whose duty, above all, was it to sound the alarm? Whose duty was it, above all, to have said, "Stop, and let us get back to a situation where we will be able to pay our debts as we go along, without further taxing the people by the issuance of bonds and adding to our already large indebtedness"? Was anything said? Did you hear any note of alarm raised in the last Congress, which was Republican by more than 100 in the House, and there was also a Republican majority in the Senate? Did anybody say then, "Stop"? Did anybody say, "Halt"? Did anybody call attention to the fact that we were heading into the biggest deficit this country ever had in peace times? No.

Mr. McDUFFIE. Will the gentleman yield?

Mr. BYRNS. For a brief question.

Mr. McDUFFIE. On the other hand, the country was misled as to the number of unemployed and misled by figures issuing from the Treasury Department as to the actual conditions obtaining in this country.

Mr. BYRNS. I thank the gentleman from Alabama for the suggestion.

Mr. McDUFFIE. And "prosperity was just around the corner." [Laughter.]

Mr. BYRNS. Yes. As the gentleman from Alabama says, we were not only not told that we were heading into the biggest deficit this country had ever had, but, on the contrary, we were told that "prosperity was just around the corner." It was an invitation to spend rather than retrench.

Mr. FULBRIGHT. Will the gentleman yield?

Mr. BYRNS. For a question.

Mr. FULBRIGHT. In the President's message he refers to his efforts in behalf of the recovery of employment and agriculture and I will ask the gentleman if he has made any concrete suggestion to that end other than that everybody buy a car while he himself bought nine for the White House and for the use of the President? [Laughter.]

Mr. BYRNS. Not that I have heard of.

Mr. BROWNING. Will the gentleman yield?

Mr. BYRNS. Yes; for a question.

Mr. BROWNING. In the President's statement that his Budget should be cut \$369,000,000, does the President take

into account in that statement the \$625,000,000 that he has requested in authorizations since that time?

Mr. BYRNS. No; he does not.

Mr. BROWNING. Then, the Budget he has submitted, plus the items he has requested, would be far above the Budget of last year?

Mr. BYRNS. Oh, undoubtedly; by a billion dollars or more, or certainly by a very considerable sum.

Mr. BLANTON. Will the gentleman yield?

Mr. BYRNS. Yes.

Mr. BLANTON. I have one of the new Hoover coins—almost identical with the one used in 1928—a gold-looking coin, but not gold, that they have just gotten out for the coming campaign. It has the G. O. P. elephant on one side and Hoover written on it and gotten out as a lucky pocket piece, and it says, "Good for four years of prosperity." [Laughter.]

Mr. BYRNS. When was that issued?

Mr. BLANTON. It is something new, although practically identical with one used in 1928. It has been gotten out by Republicans for the coming campaign.

Mr. BYRNS. That is fine. It is so expressive of the reverse of the truth. [Laughter and applause.]

I want to take occasion to make this statement because I have not had the opportunity before. I was not a very important member of the Economy Committee. Unfortunately, owing to my duties on the Committee on Appropriations, I was not able to give it the time that every other Member so industrially and patriotically gave it, but I want to take this occasion to say that no man ever worked more earnestly and more courageously and more ably than did the chairman of that committee, the gentleman from Alabama [Mr. McDUFFIE] [applause], in his efforts to bring to this Congress a bill which would help to reduce the expenditures of the Government.

Every man in Congress has the right to vote his honest and conscientious convictions, and I would not for one moment undertake to question the motive of any Member of this House as to his vote upon any proposition any more than I would expect him to question mine, but I am one of those who regret that the committee's bill met the fate it did upon the floor of this House. As it left this Chamber, if the newspapers in their compilations be correct, it carried more than \$42,000,000 of savings, and, therefore, I am not going to say that that bill was a wreck by any means. I am sure that every member of the committee feels that while he would like to have had it reduce expenditures as he had hoped from \$200,000,000 to \$250,000,000, yet the fact that it only reduced them \$42,000,000 in some measure compensates the committee for the work it did.

Mr. GREEN. And in that connection the President not only purchased the automobiles referred to, but while this committee was sitting he submitted a counter program to befuddle the minds of the people and the Government workers, and, apparently, to defeat the efforts of the Economy Committee.

Mr. JOHNSON of Missouri. Will the gentleman yield?

Mr. BYRNS. Very briefly; yes.

Mr. JOHNSON of Missouri. If the economy bill was wrecked in any way, part of the cause was the President's opposition to the Army and Navy consolidation.

Mr. BYRNS. I am coming to that.

Mr. SCHAFER. Will the gentleman yield?

Mr. BYRNS. Let me first answer this question, and then I shall yield to the gentleman for a question; but I have got to ask the Members of the House to excuse me because I do not want to take up too much of your time.

Let me make this statement—and I make it deliberately and without fear of successful contradiction: When you talk about emasculating the economy program of the committee, to which the President has referred and for which he criticizes the House in defeating the committee program along with his own program, there is no man in all the United States who is more responsible for that than the President of the United States himself. [Applause.] Why do I say this? I know that a number of years ago a Presi-

dent of the United States recommended a consolidation of the Army and the Navy in the interest of efficiency and also in the interest of economy.

Mr. MARTIN of Oregon. Will the gentleman yield?

Mr. BYRNS. Not now. Let me get through with my thought, if you please, and then I shall yield. I want to be courteous; but please let me develop the thought that was suggested by my friend from Missouri.

It was assumed at that time, possibly erroneously, that the President, who was a member of his official family and one of the official advisers of President Harding, approved his recommendation. Certainly no one ever heard a suggestion from the then Secretary of Commerce that he was opposed to it; and many therefore thought that since the President had so strongly recommended consolidation that he would support a proposition to consolidate the Army and Navy; which, I say to you from the bottom of my heart, because I believe it, meant more in the saving of money than any other title in the economy bill. [Applause.]

Mr. BLANTON. More saving than all the rest of them put together.

Mr. BYRNS. It would have saved not less than \$50,000,000 per annum, and I verily believe \$100,000,000, and some have estimated it at more than that amount.

[Here the gavel fell.]

Mr. COLLINS. Mr. Chairman, I yield the gentleman from Tennessee 30 minutes more.

Mr. BYRNS. Some of its opponents admitted that it would have saved \$25,000,000. I asked the Secretary of War, when he was before the Economy Committee, if it would not save money, and he said, "Undoubtedly, it would save considerable money."

What does the President say in his message with reference to the consolidation of the War and Navy Departments? He said the savings to be made are "indeterminate but very considerable."

Why, gentlemen, who was it that defeated that consolidation? I said that the President was more responsible than anybody else for emasculating the economy program. I am speaking plainly, because I said a while ago I think the time has come when we ought to speak plainly, and I appeal to every Member of the House if it is not a fact that on last Friday and Saturday, and possibly on Thursday, one of the extrasuperfluous secretaries of the President, known generally as his political secretary, spent his time over here on the floor, buttonholing Members of his own party against it. [Applause.] If it had not been for him there would have been more votes. It was only defeated by 25 votes, and in that number were 149 gentlemen upon the Republican side of the Chamber and 61 Democrats.

Mr. McGUGIN. Will the gentleman yield?

Mr. BYRNS. I can not yield. I am sorry. I hope the gentleman will excuse me. There were 50 Republicans who voted with the 137 Democrats in favor of the consolidation.

Now you talk about emasculating the economy program. Who did it? Why was it the Secretary of the President spent at least two days exercising the privileges which came to him as an ex-Member of this House, sitting here on this floor, buttonholing Members, urging his own party to vote against that bill? If he had not exercised the power and the influence that came to him as Secretary to the President, I dare say the bill would have passed by a big majority. I shall say nothing about the propriety of such action or of Executive interference. Who emasculated it? [Applause.]

Mr. McDUFFIE. Will the gentleman yield?

Mr. BYRNS. I yield.

Mr. McDUFFIE. Instead of voting for the committee plan, the President insisted on his furlough system, which the committee did not approve.

Mr. BYRNS. Absolutely, the furlough plan was injected into the program of the committee, and there was a difference of opinion as to what should be done. It was the first real division of opinion which occurred, although there were differences among Members about various proposals.

The President sent his message here in January, I think. As I said a while ago, did he tell you what consolidations he

thought ought to be effected? Did he tell you what duplications should be cut out? Although repeatedly invited and urged to send to Congress a plan, the plan which he was supposed to have formulated, he failed to do so. When did he first send it? It was on the eve of the day when the chairman of the committee, the gentleman from Alabama [Mr. McDUFFIE], was about to present the plan of the Economy Committee that he invited this committee to come down to the White House and talk with him, and he then proceeded to set out his plan, which agreed with many things the committee had already considered. Why did he not tell the committee while it was sitting for six or seven weeks what that plan was? If gentlemen do not believe me, I urge them to read the record. I invite them to do so. Why did not some of the members of the President's Cabinet give us some concrete suggestion as to how we could consolidate in their own particular departments? I appeal to the record. Gentlemen know that outside of the mere general statements, without any specific or personal recommendation, the committee got practically no help from the executives until the President sent for the committee, as I have stated. Oh, Mr. Chairman, there is no use trying to fool the people. There is no excuse for undertaking to play politics in this matter. I would not be here making this speech to-day were it not for the message which the President sent up yesterday, which did the Congress, his own party and mine, a serious injustice.

Mr. BLANTON. And it ought to be stated that of the Republican leaders who led defeat against consolidation were the gentleman from New York, Mr. SNELL, the gentleman from Connecticut, Mr. TILSON, the gentleman from Illinois, Mr. CHINDBLOM, the gentleman from Michigan, Mr. MICHENER, and also Mr. MAPES, and also the gentleman from New York, Mr. TABER. All of the Republican leaders led that assault against consolidation and helped to defeat it.

Mr. SNELL. The reason these Republicans opposed the consolidation of the Army and Navy was they are all for national preparedness and adequate national defense.

Mr. SCHAFER. Mr. Chairman, will the gentleman yield?

Mr. BYRNS. I will yield for just a question.

Mr. SCHAFER. Since the gentleman—

Mr. BYRNS. No; I want the question.

Mr. SCHAFER. Why was your economy bill defeated in the House by the Democratic Party? The gentleman should not berate the Republican Party when the House, which defeated the bill, is controlled by a big majority of Democrats.

Mr. BYRNS. Take the Record of last Tuesday. I appeal to it. The gentleman will find that on these various amendments I have referred to, on one of them—

Mr. BLANTON. One hundred and fifty Republicans voted against consolidation.

Mr. BYRNS. Take the amendment offered by a gentleman of your own party, the gentleman from Illinois [Mr. BRITTEN]. The Economy Committee sought to make the exemption \$1,000 in the salary cuts, and the gentleman from Illinois offered an amendment to raise the exemption to \$2,500. One hundred and thirty-seven Republicans voted for that amendment, and only 101 Democrats.

Mr. SCHAFER. And a Democrat offered the amendment to take out the consolidation of the Army and Navy.

Mr. BYRNS. I do not yield to the gentleman any more. I yielded to him respectfully and courteously for one question.

Mr. McGUGIN. Mr. Chairman, will my good friend yield to me for a question?

Mr. BYRNS. No; I can not yield to my friend from Kansas, and I would rather yield to him than anyone else. The President says, and he repeats with some degree of pride, that there was a saving made and, mark you, he calls it a saving, of \$369,000,000 in the estimates for the next year below the appropriations made for this year. Let us see where the \$369,000,000 saving comes from, and whether it is really a saving or not. I have referred to it several times, but, like Banquo's ghost, it rises every time we have a message from the President.

The President stated that the Budget submitted in December last provided estimated expenditures for the fiscal

year 1933 that were \$369,000,000 less than the estimated expenditures for the current fiscal year. These figures are correct, but the \$369,000,000 is largely made up by the reduction in construction work and other nonrecurring items which more than offset any increases that are made for 1933. In a statement which was issued from the Executive on December 14 last, showing estimated expenditures, it was shown that the Budget as submitted in December contained estimated expenditures for the fiscal year 1933 for construction works of \$575,000,000 compared with \$780,000,000 for construction works for 1932, a decrease for 1933 under 1932 of \$205,000,000. This is a part of the decrease of \$369,000,000, which the President referred to in comparing 1933 expenditures with 1932 expenditures. In addition to the construction-works decreases there is a reduction in 1933 as compared to 1932 of \$140,000,000 in the amounts estimated to be expended from the agricultural-marketing fund under the control of the Federal Farm Board. There is a decrease of \$37,000,000 in 1933 as compared with 1932 on account of payments of awards under the settlement of war claims act and \$3,000,000 on account of subscription to capital stock of Federal intermediate-credit banks. There was an estimated decrease in the amount of the postal deficiency to be paid from the general fund of the Treasury of \$40,000,000. Also a decrease of \$26,000,000 in refund of internal-revenue taxes illegally collected. Also a decrease of \$5,000,000 on account of completion of work on the last decennial census. These decreases more than account for the \$369,000,000 of reduction.

In addition to the \$161,000,000 in reduction of estimates this House passed the other day the so-called economy bill, carrying, as the paper stated, a saving of over \$42,000,000. That makes more than \$200,000,000 that this House has reduced the expenditures for 1933 under the Budget.

To that should be added \$5,000,000 which was made by the Senate on the Interior Department appropriation bill; and the other bill which went to conference this morning carries a decrease of \$12,000,000. If that is considered, there is over \$220,000,000 in reduction of expenditures up to this time; and there are many more to come.

It was said when the tax bill was before us that the Budget would be balanced if there was a reduction of \$200,000,000. This House has more than met that requirement, because our reduction is more than \$200,000,000. [Applause.] So if the Budget is not balanced, it can not be charged to the House of Representatives for its failure to reduce expenditures in the amount the House was asked to do at the time.

What is it that has caused this necessity for balancing the Budget? If I had the time, I would like to go into it. It is not only the reckless and careless expenditures for the past 10 years but it is the policy which has been pursued by the party in power during those 10 years, and everybody in the country knows it. [Applause.]

Mr. WRIGHT. Will the gentleman yield?

Mr. BYRNS. I yield.

Mr. WRIGHT. With regard to the reductions made by the Budget, the gentleman has referred to the nonrecurring items, and the fact that building-construction programs were not included. Was not the balance of those reductions practically on account of reduction in commodity prices?

Mr. BYRNS. Absolutely. The gentleman is correct.

Mr. HASTINGS. Will the gentleman yield for a question?

Mr. BYRNS. I yield.

Mr. HASTINGS. The gentleman is very properly attempting to emphasize that all the departments and various bureaus are under the President of the United States, and that the President of the United States has a Budget Bureau, and that this Budget Bureau had \$190,000 for the purpose of employing experts and clerical assistance. The gentleman from Tennessee therefore insists that instead of platitudinous messages being sent to the House it is the duty of the President to point out specifically where further economies should be effected.

Mr. BYRNS. I think the gentleman is entirely correct, and that is what many of us have been trying to show for the past two or three months, and that is what we did not get and never have gotten up to this time. Read the message of yesterday and find, if you can, where it specifically recommends and suggests that anything should be done. Read any of these messages for the past two or three months and find a specific recommendation or suggestion which has come to Congress asking it to do this or suggesting that it do that.

Mr. HASTINGS. Both the Congress and the country are entitled to specific recommendations.

Mr. BYRNS. Undoubtedly, and the Constitution of our country requires that Congress shall be advised from time to time upon matters pertaining to the state of the Union.

Mr. BLANTON. Will the gentleman yield?

Mr. BYRNS. I yield.

Mr. BLANTON. The President on economy matters is trailing along behind us all the time.

Mr. BYRNS. Absolutely. Now, the President criticized Congress in this language:

The action of the House, which would increase governmental expenditures by \$132,000,000 for road building.

Everybody knows why that bill was passed. I happened to be absent in committee when it was voted upon, but everybody knows that those who voted for that bill did so with the idea that it was going to help the unemployed back in the rural districts where these roads were to be built. That bill is pending in the Senate. But let me tell you that I spent all of this morning, up to the time Congress met, conducting hearings in the Deficiency Appropriation Committee on an estimate for increased expenditures at Boulder Dam. Of course, we all know that the President has a particular interest in that great constructive work there. I did not vote for it, but it was approved by the Congress, and, of course, will be completed, and I hope will prove all that its friends claim for it.

Mr. BLANTON. What is its new name?

Mr. BYRNS. I think they call it Hoover Dam. We were being asked this morning, within less than 24 hours after the President sent his message here criticizing Congress for voting these millions of dollars for the building of good roads, to increase the appropriations for the building of Hoover Dam from eleven million to fifteen million dollars. [Applause.] On what plea? On the plea that it ought to be done in the interest of unemployment. That is exactly the ground upon which Congress passed the road building bill which the President criticizes.

Now, that is just one of the inconsistencies, and I am wondering, when we come to consider the deficiency bill later in this session or next December if we will not find Budget estimates here asking for a great deal of additional appropriations.

I am absolutely so sold on the idea that not only economy would be gained in the amount of millions of dollars but that the efficiency of our national defense would improve that I continue to recur to the question of the consolidation of the Army and the Navy.

I am going to read to you from the President's own message what I regard as at least a partial justification of those who, like myself, supported it on the floor of this House. No one ever contended that by consolidation of the Army and Navy there was any intention to reduce the Army or reduce the Navy. No one ever contended that there was the slightest intent, as far as that consolidation was concerned, to affect the national defense in the slightest except to put the departments under one head and bring about cooperation and coordination, which everybody familiar with the subject knows does not exist at this time. The only claim that its advocates made was that it would save millions of dollars in the administrative expense of the departments without impairing in the slightest the strength and efficiency of the national defense—a position which was abundantly supported by expert testimony. The President told us in January, as an excuse for not sending

to Congress his recommendations for consolidations, that if he made them public, they would meet with opposition in all bureaus and all departments, as if, as its head, he could not stop it if any member of a department sought to oppose it. He told us that was the reason he did not send it. But let us see what he wants to do and see if it does not meet the views of those of us who wanted to consolidate the Army and the Navy and put them under one man, who would be supreme in command and would not be interested in saving one bureau in the Navy to the detriment of a bureau in the Army, or vice versa, but who could pass on it in an impartial way and work those reforms which are so badly needed.

What does he say he wants to do? Among other things, he says that in the categories of economies that can be made by consolidation and reorganization and elimination of the less necessary bureaus is "munitions manufacture." That is what this proposed consolidation was to bring about, a consolidation of munitions manufacture under one head of department, and not have a Secretary of War and a Secretary of the Navy at loggerheads preventing a consolidation of these essential branches of these two departments.

"Army and Navy hospitals." That is what we all said would be brought about.

"Aviation fields." Certainly millions of dollars could be saved that way.

And other specific Army and Navy activities which may advantageously be consolidated for the purpose of economy and more effective administration.

That is the position of the President. He is for everything this consolidation proposed except elimination of the two Secretaries. He is evidently more interested in saving them than he is in bringing about this economy.

Mr. McDUFFIE. Mr. Chairman, will the gentleman yield?

Mr. BYRNS. Certainly.

Mr. McDUFFIE. The peculiar thing about that message is that those words were used within a few days after effort was made on the part of the President to prevent the consolidation of the Army and the Navy.

Mr. BYRNS. Precisely. And it is interesting to note that at last he recognizes, as evidenced by the message on yesterday, to some extent the advisability of recommending to Congress and the country that some of the features of my consolidation bill should be put into effect. I had explained in support of my bill that the very recommendations which he now makes would be effected.

Mr. BLANTON. And after his Secretary of War and his Secretary of the Navy had come up here and lobbied against it, and they defeated the proposition before we got a vote on it in the House.

Mr. BYRNS. Oh, yes; they defeated it just as they defeated President Harding's proposal 10 years ago.

The President says:

The savings to be made are indeterminate but very considerable.

Do you think he means just a few millions of dollars? Of course you know he does not. He means millions and millions of dollars. [Applause.] That is what it would amount to; that is what some of these Army and Navy officers will tell you in private, because anybody who has the least business judgment or sound common sense knows that when you consolidate these great activities, it means the saving of money.

Now, gentlemen, I have talked to you longer than I intended. My time is about up. There are many other things to which I could refer. While my language may have been possibly a little frank, I mean no disrespect to anyone, but I for one am not willing to let anyone criticize the House of Representatives for what it has done in its effort to serve the people. I want to ask you now, and I want you to take it to your hearts and answer the question to yourselves, take every message that the President has sent here since he sent his Budget message and see if you find there one specific

recommendation as to any particular amount of money that could be saved? It can not be found.

Oh, it is easy to talk generalities; it is easy to say "reduce expenditures"; it is easy to say that if you do not do it, the country is going to suffer greatly. It is easy to say to somebody else what they ought to do. But when one tells you that something ought to be done, why does he not tell you what he would do if he were in your place? [Applause.] That is what I am complaining about. Since the transmission of these estimates, so far as I know, the executive departments have been of very little, if any, help to Congress in its effort to make these reductions.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. BYRNS. I yield.

Mr. BLANTON. Outside of the message being just ridiculous political bunk, where is there a constructive suggestion in the President's message that the Democrats in the House of Representatives have not already been trying to accomplish?

Mr. BYRNS. I will say to the gentleman from Texas that I fail to find any.

Mr. BLANTON. And I am speaking of the Democrats in the House, and not of the 150 Republicans who slaughtered the proposed economy consolidations.

Mr. BYRNS. Yes; I know. I am not criticizing my Republican friends. I know, of course, how these things go here in Congress. We happen to have a Republican President. I have not in my heart the desire to criticize them for any vote they cast in his support, but I do highly commend those Republicans who voted their convictions on these economy measures regardless of the President's position. But I do not think that Republican Members are justified in criticizing a Democratic House for what some have called the wreckage of the economy bill, when every RECORD will show that in every instance a much greater number of Republicans than Democrats voted to wreck it.

[Here the gavel fell.]

Mr. WRIGHT. Mr. Chairman, I yield the gentleman from Tennessee two additional minutes.

Mr. BYRNS. Something has been said about the President's own efforts to economize in his own official household. I do not care to take that up. The Budget does not send to the House any estimates with reference to White House expenditures. Mention has been made of his secretaries. I think he has three or four, something no other President ever enjoyed. I saw in the paper the other day where nine automobiles, large limousines, were purchased to replace others. Everybody knows, of course, that each one of these secretaries has to be provided with a limousine and a chauffeur at the expense of the Government.

The appropriations for personal services at the White House for 1933 will be the same as those for 1932. The President did not ask for a reduction and the committee showed him the courtesy of appropriating the amount which he requested. The appropriations for the White House have increased greatly since 1915, when a Democrat was President, and I shall file a statement showing these increases year by year since that time. The extraordinary expenses for the years 1927 and 1930 were caused by unusual repairs and extensions. [Applause.]

The President, in his message of yesterday, said this:

The Government can not be dictated to by organized minorities.

May I respectfully suggest that he has not so much to fear from organized minorities as he has from the great organized majority in November. [Applause.]

I append hereto statements showing the reductions made by the Committee on Appropriations in the estimates of the President. Also reductions made under appropriations for 1932 and the White House appropriations from the year 1915 to 1932, inclusive.

First deficiency:

Budget estimates.....	\$139,330,162.75
As passed House.....	125,159,042.75
Under Budget estimates.....	14,171,120.00

Agriculture:		
Budget estimates.....	\$186,243,405.00	
As passed House.....	175,408,814.00	
Under Budget estimates.....	10,834,591.00	
State, Justice, Commerce, and Labor:		
Budget estimates.....	129,734,136.89	
As passed House.....	124,215,992.53	
Under Budget estimates.....	5,568,144.56	
Treasury and Post Office:		
Budget estimates.....	1,082,575,905.00	
As passed House.....	1,059,778,163.00	
Under Budget estimates.....	22,797,742.00	
Independent offices:		
Budget estimates.....	1,041,395,041.00	
As passed House.....	985,931,431.00	
Under Budget estimates.....	55,463,610.00	
Legislative:		
Budget estimates.....	22,517,842.00	
As passed House.....	20,223,869.00	
Under Budget estimates.....	2,293,973.00	
District of Columbia:		
Budget estimates.....	44,086,919.00	
As passed House.....	39,913,810.00	
Under Budget estimates.....	4,173,109.00	
Navy:		
Budget estimates.....	341,677,450.00	
As passed House.....	326,353,459.00	
Under Budget estimates.....	15,323,991.00	
War:		
Budget estimates.....	411,363,762.00	
As reported to House.....	386,793,861.00	
Under Budget estimates.....	24,569,901.00	
Interior:		
Budget estimates.....	56,705,352.33	
As passed House.....	50,446,432.33	
Under Budget estimates.....	6,258,920.00	
Total reduction under the Budget estimates.....	161,455,101.56	
Agriculture:		
Appropriations for 1932.....	235,664,694.00	
As passed House.....	175,408,814.00	
Under 1932 appropriations.....	60,255,880.00	
State, Justice, Commerce, and Labor:		
Appropriations for 1932.....	139,001,704.34	
As passed House.....	124,215,992.33	
Under 1932 appropriations.....	14,785,712.01	
Treasury and Post Office:		
Appropriations for 1932.....	1,104,586,890.00	
As passed House.....	1,059,778,163.00	
Under 1932 appropriations.....	44,808,727.00	
Independent offices:		
Appropriations for 1932.....	1,306,196,777.00	
As passed House.....	985,931,431.00	
Under 1932 appropriations.....	320,265,346.00	
Legislative:		
Appropriations for 1932.....	28,127,386.94	
As passed House.....	20,223,869.00	
Under 1932 appropriations.....	7,903,517.94	
District of Columbia:		
Appropriations for 1932.....	45,711,638.00	
As passed House.....	39,913,810.00	
Under 1932 appropriations.....	5,797,828.00	
Interior:		
Appropriations for 1932.....	69,342,606.73	
As passed House.....	50,446,432.33	
Under 1932 appropriations.....	18,896,174.40	

Navy:		
Appropriations for 1932.....	\$358,262,123.00	
As passed House.....	326,353,459.00	
Under 1932 appropriations.....	31,908,664.00	
War:		
Appropriations for 1932.....	445,773,235.00	
As passed House.....	386,793,861.00	
Under 1932 appropriations.....	58,979,374.00	
Total savings under 1932 appropriations.....	563,601,223.35	

Table showing appropriations for Executive Office, fiscal years 1915 to 1932, inclusive, exclusive of appropriations for White House police and items not properly chargeable as actual administrative expenses

1915.....	\$263,040
1916.....	263,040
1917.....	268,880
1918.....	331,380
1919.....	284,380
1920.....	285,180
1921.....	293,680
1922.....	310,480
1923.....	333,040
1924.....	374,880
1925.....	333,320
1926.....	390,560
1927.....	718,560
1928.....	337,560
1929.....	336,280
1930.....	724,120
1931.....	409,820
1932.....	457,380

Mr. BARBOUR. Mr. Chairman, I yield 30 minutes to the gentleman from Nebraska [Mr. SIMMONS]. [Applause.]

Mr. SIMMONS. Mr. Chairman, I have listened with considerable interest, and I might say some amusement, to the statements just made by the gentleman from Tennessee [Mr. BYRNS]. I have asked for this time in view of the fact that I am the only Member on the Republican side to whom he saw fit to refer by name in his 1-hour statement.

Early in this session the President asked for authority and offered to take the responsibility for handling the economic situation and the reducing of expenditures, but the Democratic majority in this House, under the leadership of the gentleman from Tennessee [Mr. BYRNS] and others, refused to give that authority and responsibility to the President. They assumed it for themselves. They have failed miserably in meeting that situation, and now they are trying to blame the President for their own incompetency, mismanagement, and lack of cohesion and leadership in this House. [Applause.]

The President has been blamed for the drought; he has been blamed for grasshoppers; he has been blamed for rebellions and overthrows and troubles in the countries of the world; and now he is blamed for the lack of leadership that exists on the Democratic side of this House, and that by those Democratic leaders themselves. [Applause.]

Let us see what we have. We have this strange situation, if I analyze the speech of the gentleman from Tennessee correctly, that the Democrats having assumed the responsibility for the economy program, having failed to put through their own program, and having failed to put through the President's program, now want to make the President responsible for the situation.

The gentleman from Tennessee [Mr. BYRNS] says there should be no politics in a situation of this kind, in particular a situation dealing with the economies of the country. On the 8th of February, 1932, an article appeared in the Washington Evening Star in which the gentleman from Illinois, the majority leader [Mr. RAINEY], is quoted as saying:

The demands for relief in the country might offset the millions of dollars saved by the Democratic House through the appropriation bills.

So that the injection of politics into the matter of appropriations and in the saving of appropriations was made by the Democratic leader of this House [Mr. RAINEY]. Within a week of the time Mr. RAINEY made that statement the Democratic organization of the House brought in and put through this House a bill proposing to increase the expenditures of the Government of the United States \$132,000,000.

The gentleman from Illinois [Mr. RAINY] voted for it. The gentleman from Tennessee [Mr. BYRNS], the chairman of the Committee on Appropriations, was on the floor that afternoon, but he neither raised his voice in favor of the bill nor in opposition to it. He paired on it and did not vote. That is the record of the leadership of the Democratic side on that matter.

The gentleman from Tennessee quoted from the President's message of yesterday regarding the possibility of saving \$700,000,000. He was wrong only \$369,000,000 in his quotation of figures from the President's message. While he may correct his speech in the statement that goes to the printer, the fact remains that he misquoted the President and stands charged on the floor of this House either with not having read what the President said, not having understood it, or not caring to properly interpret it to the House. I want to read now that which the gentleman from Tennessee misquoted or misinterpreted. The President said this:

A drastic program of economy which, including the savings already made in the Executive Budget of \$369,000,000, can be increased to exceed \$700,000,000 per annum.

The gentleman from Tennessee, in his interpretation of the President's statement, left out of the President's message these words:

Including the savings already made in the Executive Budget of \$369,000,000.

And attempts to make the President say that a drastic program of economy can be increased to exceed \$700,000,000 per annum, without regard to and in addition to the President's Budget reductions of \$369,000,000 over last year's expenditures. What did the President say in explanation of that statement?

Considering that the whole Federal expenditure, except about \$1,700,000,000, is for uncontrollable obligations, this would represent an unprecedented reduction. Such a program, to accomplish its purpose, must embrace the rejection of all measures that increase expenditures unless they be of undoubted emergency.

There is no misunderstanding about that. The President has no control over that except the right of veto, and may it be said that Republican Presidents have vetoed over \$1,000,000,000 of authorizations which the Congress has passed in these last few years? Then the President said:

The reduction in appropriations now pending below the figures as submitted in the Executive Budget on December 9, last.

Those are the expenditures which the gentleman from Tennessee refers to and about which the President has repeatedly told the Congress that if we can reduce his Budget figures well and good, he is for it. So there is no blame on the President's part there. Everyone here knows that the Budget is made up in the summer months and that we are now considering a Budget that is at least six or more months old. The gentleman from Tennessee has stated privately a number of times, and I think once on this floor, that the President expressed approval of reductions of Budget estimates if they could be made.

Then the President said:

A reconsideration of the legislation covering those economy projects which require repeal or amendment to the laws and an effective grant of authority to the Executive to reorganize and consolidate and eliminate unnecessary Government bureaus and establishments.

There you have a large part of the \$331,000,000 that the President includes in his \$700,000,000 request, and there again the President has repeatedly asked the Congress—I am told, in 21 different messages this session—to pass legislation which would authorize the Executive to make those savings. In the economy bill the Democratic House, controlled by the Democratic Party, has refused to give the President that authority. Then the gentleman from Tennessee, himself one of that Democratic majority, and a member and former chairman of the Economy Committee, blames the President for the fact that the Congress has not given him the power he has asked. Congress has not granted the power to the President that the President asked

in order to make those savings. Congress has not authorized those savings. The President can not make them without that authority. The gentleman from Tennessee has aided in denying the President that authority, and then attempts to shift to the President the burden of the failure.

Some reference has been made here to the consolidation of the Army and the Navy, and out of all the things that the gentleman referred to with respect to the votes on the economy bill, he attempts to place on the Republican minority in this House the responsibility of furnishing the votes to put through a Democratic program. He fails to mention the fact that the elimination of that item was on the motion of a Democrat, that if on any one of those votes the Democratic organization of this House had been able to control its own votes they would have put through their own economy program, and yet, here again, like the drought and the grasshoppers, they are trying to blame the President for it.

I want to now specifically refer to the savings in appropriations that the gentleman from Tennessee [Mr. BYRNS] has referred to.

I have not yet analyzed the appropriations for the Department of War. The gentleman claims savings of \$161,000,000 under Budget figures. This includes the War Department appropriation bill, which is not included in the figures that I now have. Up until this bill came through the total reduction in appropriations under Budget figures by the House Committee on Appropriations was approximately \$130,000,000. The gentleman from Tennessee claims all of this as a saving to the taxpayer and criticized me because I have said on the floor of the House that not to exceed forty or fifty million dollars of this amount was actual saving to the taxpayer. The gentleman from Tennessee quoted me erroneously. I never gave them credit for saving that much, and I do not now give them credit for it, because the figures are that the actual savings to the taxpayer in all the appropriation bills that have been reported by the Committee on Appropriations to the House up to date, with the exception of the War Department bill, are \$38,995,142. This much money is saved. Let us give credit where credit is due. It belongs largely to the Committee on Appropriations of the House, of which the gentleman from Tennessee is the distinguished chairman, but let us be honest about it in telling the country what are the facts as to the amount.

Out of this great total that the gentleman tells you about, \$69,111,900, or more than half of it, is a reduction which will force supplemental or deficiency estimates at a later date, where expenditures are definitely required by law, and the curtailment or postponement of such activities is not within the control of the President or anybody in administrative control. In this \$69,000,000 are largely three great figures. Fifty million dollars was taken from the Veterans' Administration on loans on adjusted-service certificates and \$19,000,000 was taken from appropriations for public roads. None of it represents the saving of a penny to the taxpayer.

Then there is also a reduction in items entailing further or supplemental or deficiency estimates or curtailment, through postponement, of the current rate of expenditure, but where no ultimate saving is accomplished and where a slowing up of the rate of progress is not contemplated or desired by any indication of the Congress.

Appropriations in this class total a reduction of \$18,314,100.

Then there is a reduction made possible only by the assertion in the appropriation acts of language suspending or restricting the operation of organic law. These reductions amount to \$2,561,563. So let me repeat that out of all the \$130,000,000 that the Committee on Appropriations has reported up to the time the present bill was introduced as savings over Budget figures there has been but \$38,995,000 of it that is actual saving of money to the Treasury.

Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD by inserting an abridged tabulation upon which these figures are based.

The CHAIRMAN (Mr. McMILLAN). Is there objection to the request of the gentleman from Nebraska?

There was no objection.

The matter referred to is as follows:

STATEMENT OF AMOUNTS OF BUDGET ESTIMATES FOR 1933, THE AMOUNTS REPORTED BY THE HOUSE COMMITTEE ON APPROPRIATIONS, AND THE AMOUNTS OF THE REDUCTIONS CLASSIFIED IN THE FOLLOWING FOUR GROUPS

(1) Reductions which will force supplemental or deficiency estimates at a later date—that is, where expenditures are definitely required by law and the curtailment or postponement of activities is not within administrative control—\$69,111,900.

(2) Reductions entailing either a future supplemental or deficiency estimate or the curtailing, through postponement, of the current rate of expenditure, but where no ultimate saving is accomplished and where an actual slowing of the rate of progress is evidently not contemplated or desired by Congress, \$19,314,100.

(3) Reductions made possible only by the insertion in the appropriation acts of language suspending or restricting the application of organic law, \$2,561,563.

(4) Reductions which represent bona fide savings (including indefinite postponements) without suspending or restricting the application of organic law as distinguished from classes (1) and (2), \$38,995,142.

Permanent and indefinite appropriations are not included in this tabulation.

Mr. SIMMONS. I have followed the gentleman from Tennessee during the last seven years I have been a member of the Committee on Appropriations, many, many times when I have believed he was right, and I want to read now, for his own benefit, some of the things that on some occasions he has told the House, in order that it may be understood that I am not following an uncharted course and that in the position I have taken in discussing these appropriations I have been following the leadership of the chairman of my committee, the gentleman from Tennessee [Mr. BYRNS].

On the 7th of June, 1924, he is quoted in the CONGRESSIONAL RECORD, on page 11284, as pointing out all of the various cooperative appropriations for public roads, and he points out the fact that the Congress that session had not appropriated all the money that was authorized for public roads, and that the unexpended balances of the Democratic administration therefor had been used, and then he said:

Unless deficiency appropriations are made, the work on road constructions will be greatly delayed, if not altogether suspended in some of the States.

Back during my first term in this Congress the gentleman from Tennessee condemned that which I now condemn; that is, a claiming of savings to the country when no savings are actually made to the Treasury.

The gentleman from Tennessee says there should be no politics in this, and yet there has never been a closing of a session of Congress during the time he has been the ranking minority member of the Committee on Appropriations when he has not made partisan politics out of the appropriation bills, and the statements I am reading now are statements that the gentleman from Tennessee has made at different times at the close of the Congresses.

On the 3d of March, 1927, page 5602, the gentleman criticized the President for not asking for all the funds that were needed, as he alleged, in the regular Budget, and then asking for deficiency appropriations, and then referred to it as "a deceptive policy" and then alleged:

In the meantime the President gets credit for a saving which does not exist.

The gentleman from Tennessee is now claiming to the country and asking credit for savings which do not now exist.

He wants the country to believe between now and election that the Democratic Party is saving the taxpayers of the country multiplied millions. We are going to be met next fall with deficiency appropriations to make up a part of this balance he now claims we are saving, that which he alleged in March, 1927, was "a deceptive policy."

Now, here is another on the 30th of June, 1922, before I became a Member of Congress. The gentleman from Tennessee made a statement with reference to General Dawes, then Director of the Budget, in which he says the statement issued showed that the boast of saving hundreds of millions of dollars were mere "paper savings," and he proceeded to condemn it. The paper saving the gentleman from Tennessee then pointed out was the fact that there had been a

reduction in appropriations for public roads, and he said this:

That for that sort of reduction we submit Congress can claim no credit for economy.

He further said that if the reduction in the amount for the construction of good roads should serve to impede or delay improvement to highways such action would be subject to criticism.

Now, when I voice the same criticism regarding public-road appropriations that the gentleman then made the gentleman from Tennessee has seen fit to reprimand me publicly and privately and on the floor of the House.

Again, on the 4th of March, 1925, which you will note was the last day of Congress—and probably it was in an extension of remarks—this was the last day of my first term in Congress, and, of course, I was finding out those men whom I could follow.

There again the gentleman commented upon appropriations, and he said this:

While continuing appropriations are sometimes unavoidable, it is the hope that this practice will not become a fixed policy. The intent of the Budget system is that appropriations for fiscal years shall be readily ascertainable, and where appropriations are made for one year and permitted to lap over into another year, this is impossible. Equally objectionable is the policy of making supplemental appropriations in a deficiency bill for a fiscal year which is to follow, and the Budget should have the necessities of the various activities of the Government for the fiscal year for which appropriations are to be made sufficiently well in hand at the time the estimates are made, so as to avoid this. Deficiency bills should not carry supplemental appropriations for an ensuing fiscal year except in cases where an unavoidable mistake has been made in the original estimate or where an unexpected emergency has arisen or Congress has passed an act subsequent to the estimate requiring increased appropriations. This is important, because appropriations in deficiency bills are not usually given consideration in a survey of the amounts appropriated for any one fiscal year.

How true that is to the situation now. Sixty-nine million dollars of the alleged savings claimed by the gentleman from Tennessee that Congress must appropriate at a later date; and the gentleman from Tennessee is claiming credit for that now.

And because I charged the other day that it had the effect of deceiving the public, and that later on when these things were made up Congress would not notice it, I was reprimanded by the gentleman from Tennessee.

Yet back in March, 1925, he himself pointed out the unfairness of that course.

Again, on page 5558 of the same RECORD, let me read this:

Thus it will be seen that more than 97 per cent of the estimated reduction in expenditures for 1926 over 1925 are either automatic reductions or a deferred appropriation, and can not be claimed or classed as an economy on the part of the administration.

The gentleman from Tennessee criticizes me when I have repeatedly pointed out on the floor of the House that he can not claim economies for deferred appropriations. Yet this afternoon he repeated the old claim that they are making a saving to the taxpayers by deferred appropriations. And again:

With all due respect, this statement is calculated to create a wrong impression as to the actual economy effected under this administration.

I have been contending for an honest, fair statement of fact to the Congress and to the country regarding these alleged savings. I quote again the gentleman from Tennessee [Mr. BYRNS]:

That the reduction of the cost of ordinary peace-time activities of the Government is essential for the relief of the people from their present burdens of taxation, and it is the acid test of true economy.

Applying that rule to the case made by the gentleman from Tennessee, to which he referred to-day, only \$38,000,000 of it is a "true economy" by the "acid test" which he himself laid down. In order that I may not be unfair to him I am going to try to quote all of his statements on these matters. This statement that he made on the 3d day of March, 1923, which, of course, again was the last day of

the Congress, refers to President Harding's announcement that there had been a reduction in the deficit in the Treasury, and said that the President frankly admitted a part of it was due to increased revenues, and then the following:

His other statements with reference to alleged reductions in expenditures and to administrative economy, I regret to say, are misleading, because the reductions for which he takes credit are not reductions in the annual recurring expenditures of the Government, but such as they are grow out of the manipulation of revolving funds and the postponement of expenditures, as in the case of the Emergency Fleet Corporation and the construction of post roads, respectively.

Mr. MILLARD. Mr. Chairman, the House is in disorder, and I make the point of order to that effect.

Mr. SIMMONS. Perhaps the gentleman from New York will excuse this aside, but it is quite evident that the gentleman from Tennessee [Mr. BYRNS] does not like to have anybody read his remarks on the floor of the House, and it is quite evident also that some of the things that I am saying do not please my Democratic friends.

Then again in the extension of his remarks the gentleman made this statement, referring again to the \$19,000,000 road item that I talked about on the floor of the House. He there was admitting a postponement of expenditures for public roads, and says:

The third item, the estimated reduction of expenditures which needs to be considered, is that of construction of rural post roads. The original estimate was for \$126,000,000. In the January 15, 1923, estimate this is reduced to \$90,000,000. In other words, some of the States will not cooperate in road construction and others are not cooperating fully, so that the amount now estimated for expenditures on post roads is \$36,000,000 less than originally estimated.

And I want the gentleman from Tennessee to listen to this, because it is something that I have said again and again, and I quote now from his remarks:

There is no economy or retrenchment in this. It is simply a postponed expenditure which will be a charge on the Treasury in the future.

There are a number of other statements all the way through all of the gentleman's speeches. For instance, I commend to the gentleman from Tennessee his own remarks, as follows:

Real economies in government are reflected in reduced taxation. This is the question in which the people are vitally interested. The people are not so much interested in methods of Government bookkeeping, the manipulation of revolving funds, and statements of "paper savings." What they are vitally interested in is the question of whether or not there has been any actual reduction of expenditures in the ordinary annual recurring expenses of the Government.

Let me repeat again, I think the thanks of the country are due to the Committee on Appropriations for the retrenchment of expenditures that have been made by that committee.

The President himself in his message yesterday praises those retrenchments, and asks for more of them; but let us be honest, let us be fair with the country, let us not claim savings that are not being made, let us not claim savings to the Treasury that are not reflected in reduced taxes to the American people. Up to date the Committee on Appropriations is entitled to credit for almost \$39,000,000 actual saving to the taxpayer under the Budget figure. The President has given that credit and this House has given that credit and the committee is entitled to it, and, using the words of the gentleman from Tennessee himself, to claim more than \$39,000,000 as a saving to the taxpayers is a "deceptive policy." That is not "true economy," according to the "acid test" which he himself has repeatedly laid down on the floor of this House.

Mr. Chairman, it is possible that during the afternoon I shall be able to get an analysis of the Department of Agriculture appropriation bill along the line of the same brackets that I have used in the other statement; and if I am able to do that between now and the printing of the Record to-night, I ask unanimous consent that I may extend my remarks by including that analysis in my statement. [Applause.]

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CLAGUE. Mr. Chairman, I yield five minutes to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Chairman, I had hoped to say something immediately following the remarks of the gentleman from Tennessee [Mr. BYRNS]. The gentleman suggests that there should be no politics in appropriation matters. We are now considering an appropriation bill. I want to call the gentleman's attention to the fact that the gentleman appears in two capacities on the floor of this House. First, the gentleman appears as chairman of the Democratic Congressional Committee, and at other times the gentleman appears as chairman of the great Committee on Appropriations. It is sad to note that every time the President of the United States sends a message to Congress the gentleman from Tennessee [Mr. BYRNS], in his capacity as chairman of the Committee on Appropriations, gains the floor and then, in his capacity as chairman of the Democratic Congressional Committee, proceeds with a tirade which amounts to nothing more nor less than a confession and avoidance of everything in the President's message.

Now, the gentleman has delivered one of those speeches on every occasion during this session when the President of the United States has sent a message. I would ask the membership of the House to get the gentleman's speech, read it, check it up, and to visualize, if you will, the gentleman from Tennessee, pacing back and forth, delivering the same speech time and time again, as an apology and excuse. The gentleman told us to-day he would not be on the floor to-day were it not for the President's message of yesterday.

Mr. BYRNS. Will the gentleman yield?

Mr. MICHENER. The gentleman did not have time when I asked him to yield to me. The gentleman said he was here but for one purpose, and that was to answer the President's message.

I ask the Members if the gentleman has made one single constructive suggestion? The only thing the gentleman from Tennessee did was to refer to water that has gone over the wheel. The gentleman said: "Why had not the President of the United States discovered this condition three years ago? Why has he not done something?" I will tell the gentleman from Tennessee the people of the country are not interested in why the President did not do something three years ago.

Mr. BYRNS. Now, the gentleman has referred to me. Will he not be kind enough to yield?

Mr. MICHENER. Surely.

Mr. BYRNS. Does not the gentleman think it would be a better criticism of my speech if he pointed out wherein I was in error in the statements I made rather than indulging in a personal criticism?

Mr. MICHENER. I will be glad to do that.

Mr. BYRNS. All the gentleman has done is to personally criticize me. The people of the country are not interested in that.

Mr. MICHENER. That is it exactly. People are not interested in personal criticism. They are not interested in the kind of speech the gentleman made on the floor to-day. Not a single constructive sentence escaped his lips; entirely a criticism of the President of the United States.

I will tell you the people of the country are not interested in why President Hoover did not do something three years ago. What the country is interested in to-day is why does not the Democratic Party and why does not the gentleman from Tennessee, who consumed one hour and two minutes of the time of this House to-day criticizing the President, do something.

Mr. BYRNS. We tried to do more, and the gentleman and his side would not permit us to do it.

Mr. MICHENER. What have you tried to do? The first message of the President was urging that something be done. He asked that he be given authority to do something. Immediately the gentleman from Tennessee introduced a bill providing for an Economy Committee, a resolution for an Economy Committee. That fell down before it got started. The gentleman was afraid to permit the President of the United States to effect economies which the President said he would effect if he was given au-

thority, because the gentleman from Tennessee was afraid there might be some little party advantage, and as a result we got the Economy Committee. It was to do something by April 14. It did nothing. Then later it held hearings. They worked night and day. They attempted to find out something, but they found they did not know where they were and that they could not accomplish anything.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. CLAGUE. Mr. Chairman, I yield to the gentleman from Michigan five additional minutes.

Mr. MICHENER. He then asked that they might be given more time. They took time. They did not get anywhere. The President sent another message urging them to do something, and then they said, "Mr. President, what should we do?" The President said, "Come down and I will help you all I can." The President then gave suggestions. They brought in their program and they failed, and what is the Economy Committee doing to-day?

Mr. McDUFFIE. Will the gentleman yield?

Mr. MICHENER. Yes. I yield to the chairman of the Economy Committee to answer the question as to what that committee is doing to-day.

Mr. McDUFFIE. I will answer the gentleman.

Mr. MICHENER. If the gentleman will answer that, I will yield to him.

Mr. McDUFFIE. The gentleman stated that the Economy Committee was advised by the President, which is true, but the President had sent messages here dealing with generalities, after the Economy Committee was formed, and the Economy Committee promptly wrote him, asking him for some specific suggestions, and then he invited the committee to the White House. We sat with him. We took many of his suggestions, as the gentleman knows. We brought in here what we thought was a nonpartisan effort and presented it to the House, but, as the gentleman also knows, we did not have the cooperation of the President to carry through that entire program.

Mr. MICHENER. Oh, the gentleman from Alabama well knows that the gentleman from Michigan now addressing the House stood by the gentleman's committee more than did the majority's own side. [Applause.] We followed our leaders here and stood by the gentleman in every effort, with one exception, and that was the exception of the consolidation of the Army and the Navy. The leaders on this side told us, and we all believed, there should be certain consolidations as suggested in the President's message, and as suggested to the Economy Committee by the President at the time, and it is the belief of those on this side who opposed the consolidation on this floor, and it is the belief of the President of the United States who opposed that consolidation when talking to the Economy Committee, that there would be no economy if that kind of consolidation were brought about. So there is no difference as to the question as to whether or not there should be consolidation. Certain consolidations of the Army and Navy will prove beneficial and effective. On the other hand, two great departments like these can not be consolidated in 20 minutes on the floor of this House.

You can not do it any more than you can write a tax bill. You can not do it any more than you can eliminate useless bureaus and things of that kind on the floor of this House.

The gentleman from Alabama, the chairman of the Economy Committee, I am sure, has learned by this time that if economies are to be effected, and if consolidations are to be effected, that authority must be given to somebody, some individual, or some executive who has courage and who will not be controlled by organized minorities or groups. Put him in that position and he will find some way, some means to bring about these consolidations, where they can act independently, and that is the only way this is going to be brought about.

Mr. McDUFFIE. Is the gentleman speaking of the next President of the United States?

Mr. MICHENER. Possibly that is the reason why you refuse to let President Hoover proceed. Politics is ever pres-

ent in the mind of the chairman of the Economy Committee. I heard your good friend the former Governor of New York, Mr. Smith, over the radio the other night criticize most severely the kind of tactics that the Democrats in this House have been playing on the floor to-day, as evidenced by the speech of the gentleman from Tennessee [Mr. BYRNS]. They certainly should not criticize the Republican Party. No party is to blame for conditions in the country to-day, but, as former Governor Smith said, what the country wants is constructive legislation.

I agree with Governor Smith, and the country agrees with Governor Smith.

[Here the gavel fell.]

Mr. CLAGUE. I yield the gentleman five additional minutes.

Mr. MICHENER. Now we are wasting time. As I said, the gentleman from Tennessee talked an hour and two minutes, and what did he say? Let us not forget that for every minute that passes, this country at present is running behind \$5,000. During the time that the gentleman from Tennessee criticized and found fault the country ran behind more than \$300,000. These figures are appalling, \$7,000,000 a day.

Mr. Chairman, I say it is time that we did something. The country demands something more than talk.

Call the majority party together, have that party stand with your majority committee when it comes in here, and put through legislation. If the gentleman can not do that, let us do what the President in the White House says we should do.

Mr. McDUFFIE. What?

Mr. MICHENER. Will the gentleman from Alabama support a resolution, which we will introduce if you will support it, giving the President of the United States authority to make these savings and these consolidations, and save the Government of the United States this next year the \$600,000,000 which he mentions in his message? Will the gentleman do that?

Mr. McDUFFIE. I will answer the gentleman. In the bill presented to the House we proposed, and as it passed the House it carried, a provision that does give the President that authority. Furthermore, the President said to the committee that there were many of these consolidations that he could make within 30 days, and yet in his message he said it would take him nearly a year to do it. I wish to ask the gentleman one question.

Mr. MICHENER. What is your question?

Mr. McDUFFIE. Why did not the President send that same message when he sent his Budget to this House? [Applause.]

Mr. MICHENER. Oh, there it goes again! Water over the wheel! Why did you not do something 10 years ago?

The President has said this same thing in a dozen messages. Check them up. After every message your answer is, "Why did he not do it before?" The gentleman is shrewd. He is a good lawyer. He says that in the bill which just passed there are "broad" powers. Oh, that is a deceptive word. There are "broad" powers, but the gentleman well knows that the powers therein contained are not sufficient to permit the President to do that which he says he will do if Congress will give him the authority.

I see that the gentleman from Tennessee [Mr. BYRNS] has come back on the floor.

Mr. BYRNS. I have been here all the time.

Mr. MICHENER. He wants to effect economy when he is acting as chairman of the Appropriations Committee, but he says little about economy when he is talking politics as the chairman of the national congressional committee. I ask the gentleman to answer this question if he really wants results: If we will bring in a resolution to-morrow giving the President of the United States the authority which he craves and which he says will effect these economies, will the Democrats who control legislation on the floor of the House bring up that resolution and will the Democrats support it?

Mr. BYRNS. I want to say—since the gentleman asks me, as he did the gentleman from Alabama—that the bill

which passed the other day carried a provision giving to the President the very authority to which the gentleman refers, with authorization to send it to Congress for its approval. Let me ask the gentleman a question since he has asked me one.

Mr. MICHENER. You have the power and you have the votes.

Mr. BYRNS. We have a majority of but 5 or 6 and when 146 Members of the gentleman's party vote against us how in the name of Heaven can you hold the Democrats responsible.

Mr. MICHENER. We gave you enough Republican votes—and you know it, JOE BYRNS—to put every economy proposed in the bill, but the gentleman did not get enough votes from his own party to put in a single economy provision. I leave that to the chairman of the Economy Committee, the gentleman from Alabama [Mr. McDUFFIE].

[Here the gavel fell.]

Mr. BARBOUR. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. BYRNS. I want to ask my friend, EARL MICHENER, this question and I want a frank answer. Of course, the gentleman is taking a great delight in criticizing me and criticizing my friend from Alabama.

Mr. MICHENER. Not personally.

Mr. BYRNS. I understand it is friendly criticism, and we enjoy it as much as the gentleman himself; but we are not getting anywhere with that. I want to ask the gentleman this question—something I have propounded a number of times: Why did not the President, if he had any plan for consolidation, submit it to Congress and the country so as to give the Congress and the country a chance to know just what he proposed? [Applause.]

Mr. MICHENER. What I have said already answers the gentleman, because that is just the whole speech which the gentleman made to-day. It is water gone over the wheel. JOE BYRNS, I do not care whether the President of the United States made a mistake a year ago or two years ago or not. I am not interested in that. The American people are not interested in whether or not President Hoover should have had superforesight. No man in the world had such foresight or knew what was coming. The people of the country are not interested to-day as to whether or not he had that foresight; but they are interested in this fact—that the country faces this depression, that the Federal Government is spending this vast amount of money, that we must reduce expenditures, and they are going to hold somebody responsible for it. It is our duty here, in the name of God, to quit talking about what has gone by. We should look to the future. We should look forward. I realize it is always the wounded bird that flutters. The message hit the mark, the fluttering is pathetic.

Mr. BYRNS. Let me ask the gentleman one more question, and may I say this, that I do not blame the gentleman in the slightest for wanting to forget the past and talk about the future [applause], but I do want to ask the gentleman this: The gentleman is one of the leaders on his side, and a good one, and I ask him why, if we could save all this money by consolidation, the gentleman's party did not do it in the last Congress when his party had a majority of over 100 in this House? [Applause.]

Mr. MICHENER. The only answer to that is—

Mr. BYRNS. "Let us forget it; it is behind us."

Mr. MICHENER. There has been talk about consolidations and reductions in the cost of government for years. The actual running expense of the Government was less in 1931 than it was in 1925, but veterans' legislation and other activities have increased our Budget. This is no fault of the President or of the Republican Party. The gentleman from Tennessee has been ranking member on the Appropriations Committee and on many occasions he has pleaded on the floor of the House to increase Budget estimates submitted by the President. In days of prosperity the Government, as well as the individual, is profligate. These bureaus have grown, and now we have reached the stage where it is difficult to raise tax money. The Congress realizes this

state, yet because of these organized minorities, as demonstrated during the consideration of the economy bill, we are unable to function. That is, our Democratic leadership in the House can not agree on a program and can not muster enough Democratic votes to carry through any kind of a program. On the Republican side of the aisle we have made every effort to expedite any legislation looking toward economy. The gentleman from Tennessee, as Democratic congressional committee leader, presents a sad spectacle in his feeble effort to criticize the President's message. Of course, his heart is not back of his effort. The whip and spur of his party leaders are the things that compel him to rush onto the floor every time the President asks for action. These messages get action in the way of walls, sobs, and criticism. The country will thoroughly understand from the gentleman's speech the attitude of his party; and if these messages with punch would only come oftener, so that an aroused public opinion might assert itself, possibly the Democratic organization in the House might impress upon its members the necessity for something besides political speeches.

The fellow who has to pay the taxes back home demands relief. He is not momentarily interested in whether this tax burden was created because of the policies pursued in the Wilson administration or in the Hoover administration. That kind of talk might be interesting on the stump, out in the district in the campaign, but it will not save the farmer or the factory from the tax collector. It will not start the wheels of prosperity or inspire the confidence of the people. The demonstration of this House during the consideration of the tax bill and the economy bill has created in the minds of the public a general distrust in the ability of the House to function. Indeed, after the tax bill was ruined the distinguished Speaker, in a last-minute rally, took the floor and controlled his followers to such an extent that we were able to get the bill out of the House, where no more damage could be done, and I shall not be surprised if again in this crisis it becomes necessary for the Speaker, within the next day or two, to take the floor in an effort to stabilize his shattered forces.

The pity of it is that he does not take the floor and rally the cohorts at a time when a united front means much to legislation. This message of the President sounds in a way like Theodore Roosevelt. It has been called a lecture, and I am sure that the country feels that it is high time that the President wield the "big stick"; and the most gratifying thing about it is that the truth of his statements seems to have penetrated; and now I say to my Democratic friends, let us look forward and not backward. Let us plan for the future and be constructive. I realize that as a minority party you have been criticizing so long that you have acquired the habit, and we all sympathize with you in your difficulty, and hope that you will listen to the sound advice and heed the courageous words of that splendid man in the White House, who is conscientiously trying to bring about economies in government.

Mr. CLAGUE. Mr. Chairman, I yield five minutes to the gentleman from Wisconsin [Mr. SCHAFER].

Mr. SCHAFER. Mr. Chairman, I listened with a great deal of patience to the speech of the alleged economy leader, our good friend the gentleman from Tennessee [Mr. BYRNS], the chairman of the Appropriations Committee of this House. The gentleman indicated we had saved about \$42,000,000 in the economy bill as it passed the House. That saving did not benefit the taxpayers and the Treasury, because the next day, with his aid and support, you put an obligation on the Federal Treasury of about \$68,000,000 in the Muscle Shoals bill. This was all right from the standpoint of the economy experts from Alabama and Tennessee, because it provided for Muscle Shoals work on the Tennessee River, which was of great benefit to the people of the States of Alabama and Tennessee, from which the gentlemen hail.

I opposed the resolution creating this demagogic political alleged Economy Committee, and I stated why at the time. The Democratic Party can not deny responsibility, because it has a majority in this House; and you told the people of

the Nation that, if they put the Democratic Party in the majority in the House and in the Senate, with one magic sweep of the wand you would solve all the problems and bring back prosperity.

You have a majority on the committee in which tax legislation must originate, and you could not function there, and you admitted you could not.

You have a majority on the committee in which tariff legislation must originate and, notwithstanding your vicious attacks on existing tariff rates, you have not passed one reduction or repeal in committee or in the House.

You have a majority of the members on the Appropriations Committee and, with the record of your chairman, the gentleman from Tennessee [Mr. BYRNS], he ought to resign as chairman of that committee; and every member of the Appropriations Committee who has been following some of his ill-advised leadership, be they Democrats or be they Republicans, should resign from that committee.

Just imagine the position taken by the chairman of the great Appropriations Committee of this House. His committee holds extensive hearings on great supply bills, studies the matters day in and day out, reports a bill to the House, which is controlled by a Democratic majority. The Members of the House spend days and days in careful consideration of the recommendations of the committee under general debate and the 5-minute rule and pass the bill on to the other body. This other body, in the name of economy, cripples very essential services of the Government and reduces the total of that great appropriation bill \$5,000,000 and incorporates some 186 far-reaching amendments. Then this Member, who is a leader of the Democratic Party, the chairman of your Appropriations Committee [Mr. BYRNS], comes before the House, with a majority of Democratic Members, and under a suspension of the rules, where there is 20 minutes allotted for consideration and discussion of the important bill, you reverse yourselves and swallow the entire bill as it came from the Senate and make this House a rubber stamp for that body.

The gentleman could not have been right both times. Either he was wrong when he asked you to suspend the rules and swallow that appropriation bill for the Interior Department in the form passed by the Senate or he was wrong in the first instance when he recommended to this House, controlled by the Democrats, the bill as originally recommended by the Appropriations Committee.

So I say to you that the gentleman from Tennessee [Mr. BYRNS], in his handling of the Interior appropriation bill, has convicted himself and the Democratic majority of the Appropriations Committee of gross ignorance and inefficiency and incapability; and in the name of justice, in order to protect the sacred rights of this House, if you please, in order to maintain our form of government wherein we have a House of Representatives and a Senate, and in the name of decency, instead of making political, economy speeches on the floor of the House, he should resign as chairman of the Appropriations Committee and the Democratic Party should request him to resign.

[Here the gavel fell.]

Mr. CLAGUE. Mr. Chairman, I yield the gentleman from Wisconsin five additional minutes.

Mr. SCHAFER. In the past, in the other body and in statements in the press, the Democratic leaders have bitterly attacked the Republicans for spending money and have called attention to the great increases in appropriations under a Republican administration, with a resulting Republican deficit. You Democrats fail to realize that when your last Democratic administration went into power there was about \$1,000,000,000 of national debt, and when you came out and turned the reins of government over to the Republican Party, after the American people had risen in revolt against your leadership, we had a national debt of over twenty-nine and one-half billion dollars.

Yes; we now have a Treasury deficit, but the total of the interest and the sinking-fund payments and the care and treatment of World War veterans amounts to over \$2,000,-

000,000, or almost the entire amount of the annual deficit. This has not resulted from a Republican-administration activity but from the World War, conducted under a Democratic administration.

Oh, yes; you now attack extravagance and increased cost of government, but the gentleman from Tennessee [Mr. BYRNS], as late as January 20 and January 23, 1925, as the CONGRESSIONAL RECORD will show, led a fight on the floor of the House to increase the Budget estimate for the Bureau of Foreign and Domestic Commerce over \$390,000, and was not entirely successful in that attempt.

If you go through the RECORD you will see that this same gentleman led other fights for increases amounting to hundreds of thousands of dollars, many of which were unsuccessful, but he followed them up with attempts to have divisions and with demands for teller votes.

In speaking of the Bureau of Foreign and Domestic Commerce, which the Democratic Party now desires to assassinate in the name of economy—a false economy—as late as 1925, January 20, page 2237, Mr. BYRNS stated, and I quote him briefly, as follows:

I have always, I think my colleagues will admit, stood for strict economy in the appropriations which are made for governmental activities, but I recognize that it is sometimes false economy to fail to make a sufficient appropriation and hamper some very important activity of the Government which is rendering a great service to the people of the United States. There is sometimes truth in the old adage of "Penny-wise and pound-foolish."

In my judgment, the appropriation which is carried in this bill for the Bureau of Foreign and Domestic Commerce is not sufficient to enable that bureau to properly perform its functions in fostering and promoting our domestic and foreign commerce. If you gentlemen will take the pains to read the hearings—and they are very interesting—and the statements made by Dr. Julius Klein, the very able and efficient director of that bureau, and Mr. Secretary Hoover, a man of great ability and wide vision, I am satisfied that you will come to the same conclusion to which I have come after reading those hearings and making an investigation as to the work being done by the bureau.

That was not a Republican Member coming into the well of the House and eulogizing Mr. Hoover and Mr. Klein in 1925. It was none other than the alleged expert on economy, the Hon. JOSEPH W. BYRNS, chairman of the Appropriations Committee that failed to function in this Congress, and had the Economy Committee created to perform many of its duties. Oh, the gentleman from Texas [Mr. BLANTON] sniped in, in trying to picture the wrecking of the economy bill as a responsibility of the Republicans. While the Democratic leader was making his political speech, he read that old Jeffersonian Democrat, General MARTIN, out of the party.

Then they tried to put the blame on the Republicans for wrecking the Army and Navy consolidation. That consolidation amendment was offered by General MARTIN, a Jeffersonian Democrat.

Then the amendment to emasculate the veterans' title was offered by another distinguished Jeffersonian Democrat, a distinguished former soldier, Major BULWINKLE, the gentleman from North Carolina.

Do not forget that when the provision of the bill was being considered which would permit the departments themselves to interchange 15 per cent of the appropriations, the distinguished gentleman from Tennessee [Mr. BYRNS] was down in the well of the House crying crocodile tears in opposition to the provision. Oh, he said, it was vicious, and would be giving away the God-given rights of Congress to a bureaucrat.

Mr. BYRNS made this eloquent speech to preserve the rights of Congress from the encroachment by the President. Where was he on the Army and Navy consolidation? He then spoke eloquently in favor of the provision of the bill providing for the consolidation of the Army and Navy. This legislation was chloroformed in the Committee on Expenditures in the Executive Departments, with only two gentlemen appearing before the committee in favor of it, Mr. BYRNS and Mr. WILLIAMSON. Do not blame that action to kill the Army and Navy consolidation on the Republicans, because the Democrats have a majority of members on the Expenditures Committee.

The chairman of the Appropriations Committee, who wanted to preserve the rights of Congress from encroachment by the Executive when he was weeping at the 15 per cent interchange proposition, stood on the floor that same day, and stood on the floor to-day, ready to give, not to the President but to a Cabinet officer, a secretary of national defense, a bureaucrat, the absolute right and authority to consolidate, to expand, to eliminate and create bureaus, and do what he wants to do with almost a billion dollars a year appropriation for the War and Navy Departments, without any saving veto power on the part of Congress. Talk about pure political demagoguery and fakery—why, one of the biggest fakers in a midway could not come anywhere near to the gentleman from Tennessee [Mr. BYRNS] when he charged Walter Newton, a former Member of Congress, with wrecking the bill and inducing men to support the amendment offered by that stanch Jeffersonian Democrat, the gentleman from Oregon [Mr. MARTIN].

Mr. BANKHEAD. Mr. Chairman, will the gentleman yield?

Mr. SCHAFER. Yes.

Mr. BANKHEAD. To inquire how the gentleman voted on the major program recommended by the Executive, the staggered-furlough plan for economy. Did the gentleman support his President in that respect?

Mr. SCHAFER. I was not with the President on that. I am not one of these fellows who yap and yell economy and let somebody else do my thinking for me any more than some of the Democrats on the gentleman's side—and if you talk about responsibility, you have a Democratic majority in the House.

In closing, I want to make a constructive suggestion to the President and to Mr. BYRNS and his Economy Committee, if it is going to try to function, in respect to consolidations. They tell us that we should consolidate, first, bureaus and activities that have the same primary purpose. Notwithstanding that, we have about 18 law-enforcement investigating agencies, with arms reaching out like an octopus throughout the country, with high-salaried pay-rollers, covering the same territory. You can save many millions of dollars by consolidating the prohibition enforcement under the Bureau of Investigation of the Department of Justice. When you have an opportunity to have some real saving and assist to balance the Budget, you ignore it. If you want to get \$500,000,000 into this badly battered Treasury each year, I ask you Democratic economy leaders to sign the petition to discharge the committee from further consideration of the two and three-quarters per cent beer bill, if you are really for economy, the taxpayers, and the Treasury. [Applause.]

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. WRIGHT. Mr. Chairman, I yield 20 minutes to the gentleman from Texas [Mr. SUMNERS].

Mr. SUMNERS of Texas. Mr. Chairman, Mr. MICHENER has just made the observation that Mr. BYRNS has been playing politics and has consumed about \$300,000 worth of time. I believe Mr. MICHENER cost about \$50,000, and my friend from Wisconsin [Mr. SCHAFER] must have run up to almost as much as he is worth. [Laughter.] I can not estimate what the total amount would be.

There has been a good deal of complaint here this afternoon about somebody playing politics. Of course, that does shock my friend MICHENER and some other gentlemen on both the Democratic and Republican sides. By the time they have been in Congress a little while longer—my friend MICHENER has been here only about 15 or 20 years—they will learn that more or less politics seems to be played along about this time just before a presidential election. Of course, we have to take care of our duties here, but there is no sense in trying to be innocent about it. We know it and the country knows it. The President yesterday may have had the best sort of unselfish, patriotic motives with regard to his campaign—I mean with regard to the statesmanship of this situation—but I venture it would be a pretty safe wager—I do not think anybody would lose any money on it—that before he sent his message up here he called in

his political advisers and they told him they thought there was some pretty good politics in shooting it. There is no use pretending about it. Everybody knows it, everyone in the House and everyone in the country. JOE BYRNS has made a political speech. Mr. MICHENER almost made one, and I would make one if I knew how. The only complaint I have to make of the President's message is that he is expecting a little too much of a Democratic House. [Laughter.] The President said in his message:

I should not be discharging my constitutional responsibility to give to the Congress information on the state of the Union and to recommend for its consideration such measures as may be necessary and expedient if I did not report to the Congress the situation which has arisen in the country in large degree as the result of incidents of legislation during the past six weeks.

Well, where has he been? Has he just come to town?

Mr. BLANTON. He has been fishing on the Rapidan.

Mr. SUMNERS of Texas. Eleven years ago a very influential political group in the United States took the control of the Republican Party away from the rank and file and put in office Mr. Harding as President, Mr. Coolidge as Vice President, and Mr. Hoover in the Cabinet. They went in at the same time and were put in by the same influence. Then began the reign of the great Harding-Coolidge-Hoover triumvirate, and from that day to this there has not been slightest change in the dominating influences that have controlled those administrations nor the slightest change in the basic policy of those administrations. They started 11 years ago, under full steam, for the rocks. They put the ship on the rocks. Is that not so? [Applause.] Now they complain that the Democratic majority of five in the House can not take that ship off the rocks, remodel it, and start it right in a few months. The President complains that "there is nothing more necessary than balancing the Budget." When did he discover that? During the last Congress the President's party was in control at the White House, in the Senate, and had in this House 267 Members to only 163 Democrats, and we are inheriting from that Congress a deficit of \$2,500,000,000 and a country less able to pay taxes. The Democratic majority of only five in this House confronts a very difficult situation. Between this Democratic House and the country there stands a Republican President and a Republican Senate.

I am discussing politics. I am making a political speech now, or attempting to. At least, I am telling the truth about it, and that is something. [Laughter and applause.]

Mrs. NORTON. Will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mrs. NORTON. The gentleman is not disguising his political speech.

Mr. SUMNERS of Texas. Not a bit. In fact, I am afraid I am not making a good one. I had to listen to the gentleman from Tennessee [Mr. BYRNS] and all these other Members and I cooled off a little.

As a matter of fact, the Democratic House does confront a difficult situation. There is a Republican President and a Republican Senate. You may say in political criticism of us that we do not have constructive ability, but this you must admit, with the Republicans in control of the Senate and the Presidency, the Cabinet, and the whole executive machinery, and the Democrats in control of only the House by a narrow margin, it is utterly impossible for Democrats to make effective a Democratic program. With the country brought to the brink of a disaster of major proportions, what is the patriotic duty of the Democrats? You may not agree on the eve of election how well we have done it, but it is true that the Democratic House, everything considered, has been doing the best it could, and a pretty good job of it, to help tide over conditions until the people of the United States can have a chance to give to the Democratic Party their commission to govern in this country. [Applause.]

The President in his message said:

The most effective factor to economic recovery to-day is restoration of confidence.

And I believe that is true. I do not believe the country ever will be confident, continuing under the control of those

influences which have had control in this country for the last 11 years and gotten us in this awful mess. [Applause.]

My friend the gentleman from Michigan [Mr. MICHENER] says all this mess of the past 11 years is water under the wheel. We ought not to talk about it. That reminds me of a story of a colored boy in my county charged with murder. When the case was called he replied to the judge's inquiries that he was not ready for trial, had no lawyer, had no witnesses summoned, and so forth. The judge said, "Sam, what are you going to do about it?" Sam replied, "Jedge, if it is all the same to you all I thought I would jest let the whole matter drop."

If a doctor came to prescribe for you and he had been killing his patients for 11 years, would you not want to know about it? [Applause.]

These people have had unchallenged control of this country for 11 years. When they took charge the people were employed, happy, and prosperous. They have put it on the rocks. As somebody said, "The great engineer has shown his ability by draining, damming, and ditching the whole country in three years." Suppose he has—that does not give him license to send a message down here lecturing a Democratic House because we have not repaired in a few months the ravages of 11 years of Republican rule.

Mr. MICHENER. Will the gentleman yield?

Mr. SUMNERS of Texas. Yes; I yield.

Mr. MICHENER. Does the gentleman think he would be more interested in knowing how many people he killed than in knowing that he could save future generations?

Mr. SUMNERS of Texas. I would want to know, before I took the medicine of a doctor who prescribed for me, how he had been getting along with the folks he had been doctoring before. [Applause.] My friend would not say that is water under the wheel if his folks were being doctored by him.

The President criticizes the action of the House for favoring the expenditures of \$132,000,000 for road building.

Now, the President ought to be fair about that, too. I wonder if the President forgot his message to the House just a short time ago? During the last Congress the President sent down a special message asking a hundred and fifty million dollars to be appropriated "to increase employment." The President was suggesting all sorts of appropriations from the Federal Treasury "to increase employment." That seemed to be the medicine which he was then prescribing. There was no talk about balancing the Budget then.

Mr. BLANTON. That was water under the wheel.

Mr. SUMNERS of Texas. Yes; I know. A lot of people would like to forget water under the wheel.

The President, in December, 1930, said:

I have the honor to transmit herewith for the consideration of Congress an estimate of appropriation for the fiscal year 1931, amounting to \$150,000,000, for an emergency construction fund, to enable the Chief Executive to accelerate work on construction projects already authorized by law.

The President should be a little patient with the Democratic majority in the House. The situation is rather difficult for the Democratic majority in the House.

The appropriation in the year before the President went into office was \$2,675,000,000. Is that right?

Mr. JOHNSON of Washington. The truth of the matter is that the present deficit is about \$5,000,000,000. We might as well all face it, regardless. It is a very bad situation.

Mr. SUMNERS of Texas. And the President expects the Democratic House to balance the Budget, when the deficit, created by a Republican President, Republican Senate, Republican House of 104 majority, the Republican gentleman from Washington tells me, is \$5,000,000,000, or will be this year.

Mr. JOHNSON of Washington. No. Now, we will try to get it right again. Reading the first report from the Economy Committee, the gentleman will find that the accrued deficit is \$5,000,000,000. Some of that has gone into Treasury bonds.

Mr. BLANTON. But it aggregates \$5,000,000,000.

Mr. MILLARD. Did the chairman get those figures the same place that Mr. BYRNS got his?

Mr. SUMNERS of Texas. Yes. The gentleman from Tennessee has been talking to a Republican.

Mr. McCORMACK. Will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. McCORMACK. For the fiscal year 1931 the deficit was \$903,000,000, under a Republican administration. This year's deficit will be approximately \$2,600,000,000. The estimated deficit for the coming fiscal year is a minimum of \$1,243,000,000, and it will probably be three or four hundred million more. So in the three years of Republican administration it approximates \$5,000,000,000.

Mr. SUMNERS of Texas. Now, that is from an authoritative source. Mr. Chairman, my purpose primarily is not to discuss the President's message this afternoon.

Mr. McFADDEN. Will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. McFADDEN. The gentleman believes in giving credit where credit is due.

Mr. SUMNERS of Texas. Certainly.

Mr. McFADDEN. Is it not a fact that the Democratic Party has cooperated in putting through the Hoover construction program, first by making possible the approval of the moratorium; second, the passage of the Reconstruction Finance Corporation; then the passage of the Glass-Steagall bill, and recently the passage of the Goldsborough stabilization bill and the farm loan bank bill?

Mr. SUMNERS of Texas. But I can not claim any credit for assisting with the moratorium or the Reconstruction Finance Corporation or much of the so-called program. I felt myself compelled to vote against most of the items. Mr. Chairman, the plain fact is that the President has received as much cooperation and more than anybody could reasonably expect under the circumstances from the Democratic Party, and he ought not to have brought in a political message on yesterday. [Applause.]

Mr. SIMMONS. Is it not true that the President in his message yesterday gave full credit to the Democratic majority of the House for cooperation in the early part of this Congress?

Mr. SUMNERS of Texas. I say that anyone who reads the President's message of yesterday would construe it as a lecture of the House of Representatives for not having done its duty under these circumstances. [Applause.]

Mr. SIMMONS. Will the gentleman yield further?

Mr. SUMNERS of Texas. I yield.

Mr. SIMMONS. I repeat, the President specifically gave credit for the cooperation pointed out by the gentleman from Pennsylvania, and in his message he referred to the situation regarding the tax bill and regarding the economy program.

Mr. SUMNERS of Texas. The President, for instance, criticized the House of Representatives in the face of widespread hunger and idleness in this country for exercising its judgment and trying to put a pick in the hand of starving men in appropriating \$132,000,000 to help build roads in this country; and the same President just a little while ago came before this Congress asking it to appropriate money to give employment to idle people. This is something he can not claim credit for, so he criticizes it. One would think from this message that the President and his party had just nosed into part control. If there is political responsibility for this awful mess it lies at the door of the President and his party. Where has he and his party been during these 11 years and what have they been doing that he should be coming down here and lecturing a Democratic House, into whose lap he and his Republican Senate and House of last Congress have dumped a deficit of billions of dollars, for not balancing the Budget from the revenues of a country which their government has impoverished?

Mr. WILLIAM E. HULL. Was not this \$132,000,000 just a loan to States that were unable to meet their own obligations? It was not to spend the money directly.

Mr. BLANTON. And the \$2,000,000,000 was a loan to railroads and to business.

Mr. WILLIAM E. HULL. I would like to have the gentleman answer my question.

Mr. MICHENER. Will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. MICHENER. The gentleman is chairman of the Judiciary Committee. Does not the gentleman think that the country would be better off if we would handle these matters in the House as the gentleman from Texas handles matters before the Judiciary Committee, and when the President sends a message we do not happen to like, that we go on and do what we think is right whether it follows the President or not, instead of spending our time discussing and quarreling among ourselves as to who should be given credit?

Mr. SUMNERS of Texas. Let me ask the gentleman from Michigan, and I trust much his judgment: When a political message comes on the floor of the House, would the gentleman let a statement that ought to be challenged go unchallenged? The gentleman would not do it. The gentleman did not let the statements of the gentleman from Tennessee [Mr. BYRNS] go unchallenged.

Mr. MICHENER. After the gentleman from Tennessee talked for an hour and said nothing I thought the attention of the country should be called to it. Although possibly I might be human, does not the gentleman, in answer to my question, think that would be the statesmanlike thing to do?

Mr. SUMNERS of Texas. Yes. The statesmanlike thing would be for the President of the United States, when he realizes that he and his party have put this country on the rocks, to recognize the truth and not try to detract attention from that fact and to escape responsibility by criticizing a Democratic House which has not been able to balance a budget in a few months which he and his party unbalanced to the tune of some billions of dollars. Maybe he could not have done any better, but he had the responsibility—he had the political power—and we must remember that the Democratic majority is only five in the House, and the President controls the White House, and the Republicans control in the Senate.

As I said a moment ago, I really do not want to make a political speech. But the President had just as well know that we are not going to allow him to strut his wisdom as a superior brand and put on airs or lecture us when we are doing our best to cooperate in getting this country off the rocks, and when we know that he was a part of the Harding-Coolidge-Hoover dynasty during all the time when they were steering this country straight for the rocks.

One of our difficulties is that the President has been telling the people everything would be all right around the corner. They do not realize the situation. They do not realize the need and are not prepared to make the sacrifices which the President complains the Democratic House has not attempted to compel them to submit to.

He is complaining that a Democratic House has not laid upon the people burdens which he never asked his Republican majority in the last House of over a hundred to impose.

Where was the President and where was the Republican Congress about this time last year and what were they doing? Appropriating public money for any and every thing, piling up some billions of deficit, and telling the people everything would be all right just around the corner. Did he know any better? If he did, he was not candid, to say the least of it. If he did not know any better than to believe what he was proclaiming, then I submit he has not qualified to be lecturing a Democratic House about governmental policy or duty.

But I want to talk to you now, Democrats and Republicans, about a matter which I think is of tremendous importance. JOE BYRNS, EARL MICHENER, and these other people make political speeches, but that is not my purpose. I do not do such things. I am a constructive statesman. [Laughter.]

Mr. JOHNSON of Washington. If the gentleman would only yield, I would like to indorse that statement.

[Here the gavel fell.]

Mr. WRIGHT. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. SUMNERS of Texas. Mr. Chairman, we confront—and I think everybody recognizes it—a very dangerous situation in the United States. The program which the President and the members of his party evidently thought was right has not worked. I am not saying that in any spirit of criticism. The President has given assurance from time to time that everything was going to be all right around the corner, and I am not going to charge the President with having deliberately made a false statement about anything.

That leaves us with this fact: That the judgment of the President as to what was going to happen was not a sound judgment. Maybe your judgment and maybe my judgment would not have been sound. That is not important. You created a corporation, the Reconstruction Finance Corporation, and gave it \$500,000,000, with a possibility of \$2,000,000,000, in order to relieve the railroads, relieve the banks, and so forth. Fundamentally what the railroads need is freight and not borrowed money. Credit is all right in its proper place, but we have entirely exaggerated the efficacy of credit. It is not a medicine which can cure every ill.

When we come to examine our economic difficulties the practical questions are, What is this, where did this begin, from what causes, and what is the remedy? As a practical proposition we know that the remedy which we have applied has not worked. We have got to do something we have not done before in order for there to be a chance for recovery in this country. Where did it begin? It began with the paralysis of the buying power of the farmers of the country. I know this will not prove very thrilling, but we have got to begin to use our thinking powers. One difficulty in America is that for 13 or 14 years we have been on a thinking strike. The difficulty we are in lies deeper than the mere economic difficulty.

I would like to have your close consideration, because, whether I am right or not, I think I am right. I have studied this question and I am going to give you the benefit of my judgment about it. I want you to think about it, because we Democrats and Republicans have got to do something we have not done before. We have tried everything we could think of and we are still going in the wrong direction. I am blaming nobody now, maybe later, but not now.

I noticed in the morning paper that the great Steel Trust had passed its dividend. Nobody, and no interest, is escaping. While the trouble began with the paralysis of the buying power of the farmers of this country, it has not stopped there. It could not stop there. I have been hammering away at that fact, trying to drive its realization home for a good many years. If it is not home now, it will be soon. To me it has been an incomprehensible thing that everybody did not see these conditions coming, especially during the past three years.

I know that gentlemen who come from tariff-protected sections may not appreciate what I am going to say, and I am not going to be unkind about it; but, gentlemen, even though you do come from neighborhoods where they have the benefit of the tariff, I ask you how can my farmers—wheat farmers and oat farmers—swap 15-cent oats, 40-cent wheat, and 6-cent cotton for what you manufacture? It just can not be done.

I think the President has diagnosed our disorder incorrectly, with all due respect to him. He thinks it is a panic. It is not a panic. You go out in the country and you will be surprised to see how calm the people are, everything considered, their suffering and distress. It is not mental in its major characteristics, it is actual. It is not a depression. People have tried time after time to start again. The President has given assurances that everything would be all right; and widows and orphans and people everywhere have dug a little deeper into their savings, hoping to recoup their former losses, but they have lost again and again.

If I am conscious of my motives in these statements, it is not to be partisan at all. I realize it is a matter of concern,

equal concern to Democrats and Republicans and to the country man and town man, though they may not equally realize it. We can not keep on as we are going. This paralysis, which began down there in the country, is going on up. It has kept going on until it has reached great organizations like the Steel Trust. They are on the brink, too. Nobody would have thought that four or five years ago.

In so far as I can discover, the economic body is like your physical body. I know this much. This thing that is wrong with us is not a panic, it is not a depression, but it is a paralysis of the economic circulatory system. Can you agree with that? There is plenty of everything in this country. It is just not circulating. I am talking to thinking people, and I am tremendously appreciative of the intelligent attention you are giving to me this minute.

What the venous system takes out of your body the arterial system has to put back or there will be paralysis. The laws of God, as far as I can discover, are universally the same in their application. We are now interrelated, all of our industries. Every industry in this country is a part of every other industry. The people who work in the fields constitute the root of the tree. That is where the sap comes from more largely than from any other source. Let me give you a test or two of it. Can you conceive of the farmers in the wheat, corn, and cotton belts being prosperous while your people are idle in the cities? You just can not imagine it, can you?

It could not happen. On the other hand, can you conceive of those people unable to buy and your factories not closed? In order for them to buy they must sell at a price which will put back the blood which buying your commodities takes out or their buying power and the circulation of your goods and their crops will become paralyzed.

The trouble is that we have been going about this thing in a haphazard way, loaning money here and there to railroads and banks and so forth. That is not going to remedy things. That is not going to get circulation started. As certain as I live that is the trouble. When people lived under simple conditions and nearly everybody farmed and when the farm constituted the industrial organization and we were in little communities, we might have found our remedies sufficient, but when you have great interrelated industries that make up the economic body, such as we have now, then you have got to use your head.

It is a queer thing that in every human pursuit, in these complex and complicated days, men study the natural laws that govern in their field of activity before they lay their hands to the job. Nobody would dare to offer to be a doctor until he had studied the laws of God Almighty that govern the human body, and when he goes out to practice he has but one job and that is to try to apply his skill in accordance with those laws and in obedience to them.

The same thing is true of a builder or of a farmer and of anybody I know except the legislator or a president. When do we just get right down and figure whether or not a proposed piece of legislation is in accord with the laws of God Almighty, the natural laws that govern governments, just as doctors do before they prescribe? We do not do it, but I want to tell you right now we are going to do it before we get out of the condition we are in now. [Applause.] This condition in which we are has not just happened. Things do not just happen. They come from definite, antecedent, adequate causes. Such conditions as we are in come as a punishment for violation of the great natural laws that govern governments and govern human society. Governments are not accidents. Governments have been provided for in the big economy. There are natural laws that govern governments, but we do not think about them.

Let us see what is happening. I am going to ask for a little more time, because I want to develop this farther. The gentlemen are listening to me, and I appreciate it.

Mr. WILLIAM E. HULL. Will the gentleman yield for a question?

Mr. SUMNERS of Texas. For a question; yes.
[Here the gavel fell.]

Mr. WRIGHT. I yield the gentleman 10 more minutes.

Mr. WILLIAM E. HULL. I want to ask the gentleman one question. The gentleman spoke about the tariff on wheat. And I would like to ask whether the gentleman would advise taking the tariff off wheat?

Mr. SUMNERS of Texas. I am giving no advice on that matter now. I do not want to be led away from the more basic things just now. I will discuss that whole thing if the gentleman will just leave me alone, and I shall give the gentleman my idea about it if I have the time.

My idea may not appear to anybody to be worth a thing, but if I succeed in starting men to thinking constructively and analytically with regard to this problem, my effort will not be lost, even though it is costing \$5,000 a minute. It is worth more than a lot of things I have to listen to. Gentlemen, we confront a serious situation. I have no great regard for human intelligence. If ever a people prayed to God Almighty for guidance, it ought to be now [applause] to help us to see what are the great natural laws that govern in the realm of government and, regardless of what we have thought or believed or preached, undertake to put our policies in accord with them.

I want to establish this point by point, and I wonder if the point is established that this paralysis that is extending up through the economic system did begin out in the fields. If you do not think so, just let us check up on that a little bit. You will find that just before their buying power ceased to exist there was lots of money everywhere, and everything was all right. When this thirty and odd million people were no longer able to buy, then the little retail merchant could not buy and could not pay his debts. The little bank began to be unable to borrow money or to extend credit, and such banks began to go broke, and so on and on it has come up like creeping paralysis that I used to hear the doctors talk about when I was a boy, until now it has reached the head and has reached the great steel organization of this country and similar organizations. It was inevitable that it should do this. The strange thing is that their captains of industry did not realize it.

If in your circulatory system your venous system takes out more blood than the arterial system puts back, paralysis is inevitable. This is a law of nature, and it is the law of nature that governs in the great economic structure. It is a law of government, and neither Mr. Hoover nor the Democratic majority in this House can ignore it and escape.

Now, how did this thing come about—this disturbance of our economic circulatory system?

First these people were put under a big economic disadvantage when steam and electricity worked its industrial and economic revolution. I am going to hasten along now. The peoples operating in the cities with cheap and rapid transportation organized great businesses including the selling end of their businesses. This is an important point and do not forget it. They were able to write into this selling cost the cost of production plus a profit. The farmer had to sell to the highest bidder. In other words, when the great agricultural classes exchanged with other peoples, other peoples fixed the price for both commodities and the farmers traded on that basis.

If anybody wants to appreciate how great a disadvantage that is, just swap horses a few times, as we say in the West, and after you have traded a few times you will be toting your saddle home and will understand the proposition.

Now I hope I can get by this without being partisan. Along about that time we established in the United States what was known as the protective-tariff system; I am going to be as gentle with that as I can. It is a thing you have to figure on. We are at the end of the road. While we have been bleeding the farmers to support the tariff system, they have been bleeding the soil. Comparatively speaking, both are bled white. We are at the end of going out to the forks of the creek and making speeches to the farmers every two years with the only interest of getting their votes. This is our business. It is the business of you gentlemen from the cities if you are to keep your people from starving and your factories going. We are exactly like a lot of people living behind a levee. A crevasse is broken in

front of these farmers, and the water is sweeping around behind and putting out the fires in your factories. That is where it broke. Everything was all right everywhere else. I do not underestimate the effect of world conditions. I am speaking of conditions in so far as we are concerned. We proclaimed the general policy in this country of protecting the American producers from the cheap labor of the rest of the world.

Do we agree on that? That was the general policy which we declared, but when we came to apply that policy we said to the producers of grain, the producers of cotton and tobacco, the exportable surpluses, and they cultivate eighty-odd per cent of our acreage, "This does not apply to you." Think of that for a minute. I know it is pretty hard for people who have lived under the influences of a given economic condition to really look at it, to stop and think about it, to test its justice or its soundness, just as it was hard for my parents to think of slavery as they ought to have thought of it. I can not understand how anybody could favor slavery, but my people opened their conscious eyes first on slavery and never stopped to think about it. You have done the same thing with regard to the tariff. You do not stop to think that it is a bounty, although it is the most definite sort of favoritism. This Government says, "We are going to protect our producers against the cheap labor of the rest of the world"; that is the excuse for the policy just like a father with two boys who says that he is not going to let his family work in competition with the cheap labor of his community.

But he says to Tom, "This does not apply to you, you have to go out and sell in competition with your neighbor, but when you sell you bring your money back here and buy from this other boy, John, because I want John to have a higher price than his neighbors get, and the only way that I can bring that about is to have you bring back your money which you have gotten selling in competition with the cheapest labor in the world and pay John more for his stuff than he could get selling it anywhere else." That is the Gold Almighty's truth. No one can controvert that fact. The wheat farmer, the cotton farmer sell in competition with the cheapest labor on earth. I do not want to be offensive, but you gentlemen say that the American market is the best market on earth for your manufactured stuff. Very well. But for the American producer of these products the American market is the cheapest market in which he can sell. And why do I say that?

Do you gentlemen who come from the grain-producing districts suppose anybody would buy in the American market 200,000,000 bushels of wheat in round numbers, our normal export, and send it across the ocean and sell it in a market cheaper than the American market? You do not do it. The foreign market must be at least as much higher than the American market as the cost of transportation and other charges. The situation was bad enough before the war. I am not talking about something far away from your business of the city, whatever it is. This is the root of your plant, and you have just as much interest in what is happening down there with these farmers as a tree would have in what is happening at its root. I know that you can not tear down this tariff wall quickly. I recognize it as a fact. I am not making any free-trade speech this afternoon, but what are we going to do about it? Before the war we were the great debtor nation. We got rid of much of our agricultural surplus by paying the interest that we owed other people. After the war they owed us, and it takes now all of the gold they can get to pay the interest that they owe us.

If these farmers are to get rid of this surplus, they have to swap. To meet that situation the administration policy, expressed in the so-called farm relief bill and the tariff bill increasing rates was put into effect, the effect of which was to increase the blood taking from a part of our economic body already bled white, to further cut them off from market and take a still larger share of the prices they got to pay the bounty provided by the tariff system for the beneficiaries of that system.

However, I shall not discuss that farther, because I do not want to get anybody in an antagonistic mood. I want to help start up the circulation in our national thinking. If we had been thinking, we would not have been doing the foolish things of the recent years.

We have been working at the wrong place. We have made an improper diagnosis. I am as certain as I am of anything on the face of this earth that you have to revive the debt-paying power of these people of the fields before you can put your idle people in the cities to work. That is the root of the difficulty, but we are working at the top. That is why I am talking.

Let me direct your attention to another condition, or rather situation, which adds to the necessity of doing what I am going to suggest. These farmers are at the end of the passing line.

If a manufacturer has a commodity the price of which is increased, he writes that increase into the selling cost and passes it on. It is passed on and on. Everybody who can hand you a bill for what he sells, commodities or services, passes it on. But when it gets to the farmer who sells a bushel of wheat to the highest bidder in competition with the cheapest labor on earth, he can not pass it on, he absorbs it, and is exactly in the situation of a man who is at the end of the line of anything being passed from one to another. He can not pass it. He is at the end of the line.

How can my people buy your commodities with 15-cent oats and 30-cent corn and 40-cent wheat? It can not be done. We may not like it, but so long as we are taking this subsistence, this blood from the farmers by the might of government to support tariff-protected industry there is but one thing to do and that is to put back arbitrarily the blood that you are taking away arbitrarily.

You can not trust nature to do it, because nature is not taking it away. That is where the President has made and is making a serious mistake.

If a doctor came and found a patient being bled, already prostrate, he would not depend upon nature to restore him. Certainly not if blood is continuing to be taken. It is a fact that the farmers in the West, with 40-cent wheat, are compelled to give up a part of that price to pay a bounty which the Federal Government insures to the tariff-protected industries of this country. That is blood. They are bled white already.

If somebody suggests stop the bleeding, that would not be agreed to. You would not give up your tariff bounty. You would not stop taking the blood. This farmer has not got any more. The big job is to restore him. How can it be done? Exactly as a sensible physician would proceed. Reduce the blood taking, lower the tariff toll, and give him a blood transfusion at least equal in amount to the blood being taken. Something like the debenture will have to be adopted to put the blood back. There must be something like that. We must have circulation.

You can appropriate I do not care how many millions for this or that, and it will be like rain falling on a tin roof. Give back to these farmers what is being taken by the might of government and it will be like a rain on the fields of a land. It will make things green and start every little brook flowing. They will start the creeks and they the great rivers. My criticism is that the President's plan is to pour out the life-giving fluid near the mouth of the rivers, apparently expecting it to flow upstream and finally reach up on the hillsides.

People talk about trying to hold up the wage scale. I want them held up, and commodity values up, so we can pay our debts. But how can a carpenter getting \$8 a day, for instance, do business with a farmer? How can 40-cent wheat pay for \$8 work? Four bushels will feed a person a year. A farmer can not give for one day's work enough wheat to feed two grown people for a year. As a result the farmer keeps his wheat and the carpenter keeps his labor. If you do not get the price of that wheat and the price of that labor closer together there can be no circulation.

How can you expect to sell your automobiles? A farmer can not swap 14 and 15 cent oats for automobiles. The pipe, if I may use that figure, has pulled in two. The man is starving for the wheat, and the other man's barn and house are falling down for the lack of a carpenter. As certain as we live this is the seat of the trouble, the origin of our paralysis.

This will not be cured by nature because an arbitrary thing is being done. Tariff is an arbitrary thing. By might of government my people are being bled to pay out of their 5-cent cotton in order to give a bigger price to the people who are protected by the tariff. By the might of government people who are selling their wheat for 40 cents a bushel are being compelled out of that 40 cents to pay a bounty for those who are protected by tariff industry.

What are we going to do about it? I realize that it is the President's idea as expressed in his tariff bill of last Congress, and this veto in advance of anything akin to a debenture is to bleed them some more and refuse to put the blood back into their veins which is being taken out under governmental supervision and by its might.

I realize that I have suggested a policy which has the President's veto in advance. But I thought that the next time he sends down here to help the House out by giving it a free lecture on its poor brand of statesmanship, you might see if you could not swap work with him a little bit. I do not know whether we will need you after the next election or not, but we would like to have you with us anyway.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. WRIGHT. Mr. Chairman, I yield 10 minutes to the gentleman from Missouri [Mr. LOZIER].

Mr. LOZIER. Mr. Chairman, yesterday afternoon the gentleman from New York [Mr. SNELL], in commenting upon the President's message of that date, said:

The majority of the Members on this side of the aisle have stood for the economy bill, and if it had received the same support on the other side of the aisle, there would have been no need of this message.

I challenge the accuracy of that statement. I challenge the ethics of the President in assuming to lecture Congress, which, under the greatest difficulties it has encountered in a generation, is honestly endeavoring to solve the many complicated problems which now confront the American people, and for which the administrations of Harding, Coolidge, and Hoover are largely responsible.

I want to preface my remarks with a statement to which I have given utterance on numerous occasions in this Chamber, that this Government and our free institutions are not built around the President of the United States. Our institutions are not built upon or around the executive branch of our Government, but ours is essentially a congressional form of government, and the men who established our independence and who formulated our organic law saw to it that there was incorporated therein language which would unequivocally, in theory, at least, preserve to the American people the congressional form of government.

There was a sound reason for that foresight and action. Our Government has its genesis in the abuse of executive power. From the beginning of history, from the time man first began to dream of freedom, every struggle for human liberty has been fought around the standard of taxation and was precipitated by an abuse of the executive prerogative. Free government had its beginning in the abuse of the prerogatives of the crown or of executive authority. The men who laid the foundations of our institutions saw to it that this would not be an executive but a congressional form of government.

Three of every four words in the Constitution of the United States have reference to the Congress, its prerogatives, its duties, its powers, and the restrictions or limitations upon those powers. The President is given authority to advise, recommend, and veto legislation, but no student of constitutional history, no student of our organic act, can read that immortal document and long entertain the idea

that it is the function of the President to determine the legislative and economic policies of this Nation. He has authority to recommend and to advise, but nowhere except in the limited use of the veto power is he given the power to override the will of the American people, reflected in the deliberate judgment and action of their representatives functioning as a House and Senate of the American Congress.

The President in his message of yesterday criticizing Congress, among other things, said:

The action further to enlarge expenditures in non-service-connected benefits from the Veterans' Bureau at the very time when the House was refusing to remedy abuse in these same services.

Here is a criticism upon the action of Congress in passing the pension bill for widows of World War veterans. Whom is he criticizing? Who voted for that bill, and who are now being pilloried, held up to public contempt and public condemnation by the President of the United States? I call attention to roll call 61, where 316 Members of this House are recorded as voting for that measure and only 16 against it. The able and alert minority leader [Mr. SNELL] was only able to muster 13 of the faithful Republicans in the House to vote against this bill which the President in his message of yesterday severely criticizes. Who were the men he criticized? There were 149 Republicans and 167 Democrats who voted for the bill that the President in his message of yesterday condemns. One hundred and forty-nine Republicans, among whom were BACHARACH, BACHMANN, the Republican whip, BARBOUR, BRITTEN, COOPER of Ohio, CROWTHER, the show pony of the Republican Party on the question of tariff.

There was also DARROW, DOWELL, FISH, FRENCH, GIBSON, GIFFORD, GUYER, HADLEY, HARDY, HAUGEN, HOCH, and MICHENER, the gentleman who has just emptied the phials of his partisan wrath on the gentleman from Tennessee [Mr. BYRNS] and lectured this House this afternoon for 30 or 40 minutes. Yes; Mr. MICHENER, the gentleman from Michigan, voted for the bill which the President violently condemns.

Nor is this all, for there is also LEHLBACH and former Leader TILSON, RAMSEYER, and a long list of Republicans who voted for the bill their President so severely criticizes. I do not condemn them. I congratulate them because they had the courage of their convictions and voted as their judgment and conscience dictated. They have been here longer than I, and I respect them. I hope the time will never come in this House when I will not have the courage to vote for or against a measure as my conscience and judgment dictate, and I deny the right, power, authority, and prerogative of the President of the United States to criticize and condemn me or criticize and condemn other Members of this House, Democrats or Republicans, whose judgment may perchance run counter to the imperious will of the gentleman who by a strange fatality has a 1-term lease on the White House, which term will automatically end March 4, 1933, to the great relief of a sorely disappointed and afflicted people.

The so-called economy bill embraced a large number of proposals, all of which were highly controversial. I realized that there were two sides to each legislative proposal embodied in this bill. I could see where sincere, well-meaning men might honestly differ as to the wisdom of this or that proposal. I have, therefore, refrained from criticizing any of my colleagues who saw fit to cast a vote different from mine. I do not challenge their sincerity, as I am sure they will not question mine.

I propose to show by the record that the Democratic Party is not responsible for the defeat of the economy program, the charge of the President, the minority leader, and the Republican newspapers to the contrary notwithstanding. I call your attention to roll call No. 62, on what is known as the Britten amendment. The Britten amendment struck \$55,000,000 from the salary-reduction program. It reduced the savings on salaries from \$67,000,000 to \$12,000,000. It relieved 74 per cent of all Government employees from any and all salary reductions. Who voted for

it? Who voted that \$55,000,000 out of the Economy Committee program? Here is the vote as shown by the RECORD:

Roll call 62 shows that of the 239 votes in favor of the Britten amendment, Republicans furnished 138, or 57 per cent, and Democrats furnished 101, or 43 per cent. Of the 153 votes against the Britten amendment, 61, or 40 per cent, were Republicans, and 92, or 60 per cent, were Democrats. The record conclusively shows that the Republican Members of the House are largely responsible for adopting the Britten amendment which reduced the salary savings from \$67,000,000 to \$12,000,000. A large majority of the Democratic Members voted for a \$67,000,000 salary cut, while a large majority of the Republican Members voted for only a \$12,000,000 salary cut.

The Republican Members of the House put over the McCormack half-holiday amendment. Roll call No. 63 shows that of the 267 yeas, 147, or 55 per cent, were Republicans, and 120, or 45 per cent, were Democrats. Of the 132 negative votes on the McCormack amendment, 57, or 43 per cent, were Republicans, and 75, or 57 per cent, were Democrats. So again our Republican colleagues were largely responsible for defeating the Economy Committee program in reference to Saturday half holiday, which would have effected a saving of \$9,000,000.

[Here the gavel fell.]

Mr. WRIGHT. Mr. Chairman, I yield the gentleman from Missouri five additional minutes.

Mr. LOZIER. On the Vinson amendment against transferring interdepartmental appropriations from one bureau to another, to the extent of 15 per cent, no real saving was involved whether the original committee plan or the Vinson amendment was adopted; but the committee plan would have given the departmental heads authority to manipulate appropriations, favor some bureaus at the expense of others, and discriminate against certain activities and unreasonably increase bureaucratic abuses. Nearly all the Democrats voted against giving the executive branches this additional power, and most of the Republicans voted to vest the departments with this authority. On the Vinson amendment, roll call 64 shows that 155 Republicans and 27 Democrats voted against the Vinson amendment, while 167 Democrats and 42 Republicans voted for it. Of the votes for the Vinson amendment, the Republicans furnished 20 per cent and the Democrats 80 per cent, while the votes against the Vinson amendment were 85 per cent Republican and 15 per cent Democratic.

On the Barbour amendment, roll call 65, 151 Republicans and 146 Democrats voted in favor of retaining our present transport service, while 47 Republicans and 51 Democrats voted in favor of abolishing the transport service. Of the votes to retain the transport service, 51 per cent were Republicans and 49 per cent Democrats, while the votes to discontinue the transport service were 48 per cent Republican and 52 per cent Democratic. I may add that the distinguished minority leader, the gentleman from New York [Mr. SNELL], voted to retain the Transport Service.

Now, we come to the consolidation of the War and Navy Departments, which would effect a saving of from \$50,000,000 to \$100,000,000. Who denies that? Who doubts that?

Mr. SNELL. Mr. Chairman, will the gentleman yield for a question?

Mr. LOZIER. No; not now. I will if I get more time. I say that nobody doubts the economies that would be inevitable if we consolidate these two departments. If you consolidate any two departments and put them under one head, you will be enabled to dispense with the services of hundreds or possibly thousands of employees.

In the last Navy bill we appropriated for officers and enlisted personnel of the Navy and Marine Corps \$148,000,000. We appropriated \$82,000,000 for the civilian personnel. In other words, we are appropriating \$82,000,000 for the civilian employees of the Navy, and only \$148,000,000 for the payment of the officers and men in the Navy and Marine Corps. For every \$2 we pay the men who serve in the Navy or marines, we pay \$1 to a civil employee in the Navy Department. Who killed the provision of the Economy Committee

program for consolidating the War and Navy Departments? The record shows that the Republican Members of this House must bear this responsibility.

Of the 210 voting against consolidation, 150 were Republicans and only 60 Democrats. Of the 187 Members voting for consolidation, 139 were Democrats and 48 Republicans. Seventy-one per cent of the votes against consolidation were furnished by the President's party and 29 per cent by the Democratic Party. Seventy-four per cent of the vote for consolidation of the Army and Navy Departments were Democrats and only 26 per cent were Republicans.

The distinguished minority leader [Mr. SNELL] voted against consolidation. It is a well-known fact that the President, the Secretary of War, and the Secretary of the Navy used their influence to defeat the Economy Committee program for consolidating these two departments, and Walter Newton, one of the President's many secretaries, came to the House and lobbied against this consolidation which would save the taxpayers between fifty and one hundred million dollars annually. Undeniably, President Hoover and the Republican Members of the House are responsible for the defeat of the plan of the Economy Committee for the consolidation of the War and Navy Departments.

I am pleased that every Democratic Representative from Missouri voted to consolidate the War and Navy Departments. Examine the roll call and you will find the names of ROMJUE, LOZIER, MILLIGAN, SHANNON, DICKINSON, JOHNSON, NELSON, CANNON, COCHRAN, WILLIAMS, FULBRIGHT, and BARTON as having voted to consolidate these two departments, thereby effecting an annual saving of from \$50,000,000 to \$100,000,000. On this, the largest economy proposal in this bill, the Democratic Representatives from Missouri voted as a unit, and it is regrettable that they were outvoted by many Republicans and a few Democrats.

On the McDuffie motion to recommit, the question at issue was whether Government salaries up to \$2,500 should be exempted from the salary slash or whether the exemption should apply to salaries of \$2,000 or under. The McDuffie motion sought to limit the exemption to \$2,000, which would have meant a saving of many million dollars to the American people. Of the 167 Members voting for the \$2,000 exemption, 114, or 68 per cent, were Democrats, and 53, or 32 per cent, were Republicans; while of the 225 Members voting for the \$2,500 exemption, 137, or 61 per cent, were Republicans, and 88, or 39 per cent, were Democrats. Here again the Democrats voted for greater salary reductions than the Republicans.

[Here the gavel fell.]

Mr. WRIGHT. Mr. Chairman, I yield the gentleman from Missouri five additional minutes.

Mr. GOSS. Will the gentleman yield?

Mr. LOZIER. Yes; I yield.

Mr. GOSS. I hope the gentleman will complete his statement and then give the percentages on the passage of the bill.

Mr. LOZIER. I have the yeas and nays vote on every one of these propositions, including the final vote, and I will be glad to give them.

Roll call No. 68 was on the Ramseyer motion to recommit and for the adoption of the President's staggering plan. Of the 146 Members voting for this plan, 129, or 88 per cent, were Republicans, and 17, or only 12 per cent, were Democrats. Of those voting against the staggering plan, 72, or 29 per cent, were Republicans, and 178, or 71 per cent, were Democrats.

The vote on the final passage of the economy bill was—yeas, 158 Republicans and 158 Democrats; nays, 31 Republicans and 36 Democrats.

On the final passage of the bill 158 Democrats and 158 Republicans voted for it, but before we reached the final vote, the enemies of the bill, a large majority of whom were Republicans, had amended and emasculated the bill so as to reduce the reductions from \$200,000,000 to \$42,000,000. No man can read the RECORD and justify the statement of the gentleman from New York, the minority leader, to the effect

that the Republicans had given more loyal support to the bill than Democrats. The conclusion is inescapable that the economy bill, as reported by the committee, would have passed the House if the Republican Members had supported the measure as loyally as the Democrats did. The responsibility for wrecking the economy program rests on the Members of the President's party. A word from President Hoover would have lined the Republicans in the House side by side with the Democrats, and the bill would have passed providing for \$200,000,000 reduction. But largely as a result of Republican votes the bill as passed only effected a saving of about \$42,000,000.

Mr. HOCH. Will the gentleman yield?

Mr. LOZIER. Yes.

Mr. HOCH. As the gentleman has referred to those roll calls, I happen to be one of those who voted for the McDuffie motion to recommit; in fact, I voted, as far as I know, on every vote to protect the economy bill, but the gentleman will recall that we gave to his side of the House 52 votes in support of the McDuffie motion to recommit, which went to the heart of salary reductions, but when it came to the Ramseyer motion, which would have meant a saving of \$67,000,000, the gentleman's side was only able to muster 10 votes.

Mr. LOZIER. My friend the gentleman from Kansas [Mr. Hoch] was a steadfast and consistent friend of the Economy Committee bill. He voted right, as is his almost unailing custom. The gentleman's faith was shown by his works, or votes. I regret that more Democrats and Republicans did not look at this bill from the standpoint of the gentleman from Kansas. But I could not go with him on the Ramseyer motion to recommit, because I believe the President's so-called staggering plan is half-baked and would prove disappointing to both the employees and the Government. I can not see how it could have effected any substantial saving in Government expenses.

Mr. HOCH. Did it not at least reduce the exemption from \$2,500 to \$2,000?

Mr. LOZIER. Yes; it did have that merit.

Now, this bill when introduced called for salary reductions and other economies amounting to over \$200,000,000. In the House it was amended so as to provide for only about \$42,000,000 reductions. Why was not the bill put over in its original form? You will say that the Federal employees and other organized groups fought it. That is true, but the forces and influences that emasculated and practically defeated this bill came from the great cities and from industrial, commercial, and big business centers.

I have a feeling of friendship and genuine good will for all vocational groups, no matter where they may live, but I can not shut my eyes to the fact that there is often what is seemingly an irreconcilable conflict between the viewpoint of the industrialist and big city man on the one hand and the agricultural classes and so-called common people and middle classes on the other hand. This economy bill has forcibly emphasized these different viewpoints. The economy bill was defeated largely by Representatives from commercial and industrial sections and great centers of wealth and population. Let us examine the roll calls. On the Britten amendment to exclude salaries of \$2,500 or under from reduction the vote was as follows:

New York, 33 for, 8 against.
 Pennsylvania, 27 for, 3 against.
 Massachusetts, 14 for, 2 against.
 New Jersey, 9 for, 2 against.
 Ohio, 13 for, 7 against.
 Illinois, 17 for, 2 against.

The six New England States cast 25 votes for and 6 against the Britten amendment. The four States of New York, New Jersey, Delaware, and Pennsylvania cast 70 votes for and 14 against the Britten amendment. The 10 Northeastern States—Pennsylvania, Delaware, New Jersey, New York, and the 6 New England States—cast 95 votes in favor of the Britten amendment and 20 against.

The Representatives from the big cities wrecked the Economy Committee program. Greater New York, Buffalo, Syra-

cuse, Rochester, Albany, and other New York metropolitan centers; Philadelphia, Pittsburgh, and other large Pennsylvania cities; Boston and other large Massachusetts cities; Trenton, Newark, Camden, and other metropolitan areas in New Jersey; Chicago and other large Illinois cities; Cleveland, Columbus, Cincinnati, Toledo, and other large Ohio cities; and Los Angeles, San Francisco, and other California cities, and Representatives from other big cities romped all over the Economy Committee program. The large cities in 7 States furnished 104 votes to put over the Britten amendment which reduced salary cuts from \$67,000,000 to \$12,000,000. Moreover, the influence of the Representatives from these great cities and industrial centers tremendously influenced the vote of Representatives from agricultural sections. It is practically impossible to put over any legislative program in Congress when the Representatives of the industrial areas and large cities oppose it. I ask the newspapers and public generally to examine the roll calls; and when they do, they will realize the difficulties the friends of the economy bill had in trying to enact this legislation over the opposition of these powerful organized groups.

In stating my views as to the causes that practically defeated this economy legislation I am not reflecting on the sincerity and patriotism of the Representatives from the great cities and industrial centers.

I am merely calling attention to their viewpoint and to the fact that their political philosophy radically differs from the economic views of those of us who live in the great hinterland and great open spaces. If half of the Representatives from cities and industrial sections could have seen this economy bill from our viewpoint and voted with us, the bill in its original form would have been enacted.

[Here the gavel fell.]

Mr. WRIGHT. Mr. Chairman I yield the gentleman one additional minute.

Mr. LOZIER. We have in the United States to-day 30,000,000 farmers, who depend either directly or indirectly on agriculture for a livelihood, millions of whom are insolvent and dangerously close to bankruptcy. They have lost the earnings and accumulations of a lifetime. Possibly as many as a hundred million American people have practically no purchasing power. You talk about opening the mills and factories. You talk about starting men to work. That is all right, as far as it goes. You could not operate these factories more than a few weeks or months. Why? Because the goods could not be sold and would accumulate in the warehouses and in the factories. Because the buying power of from 70,000,000 to 100,000,000 people has been practically destroyed. You ask me how long this depression will last. I do not know, but it will last until the buying power of these 70,000,000 or 100,000,000 people is restored, and it will not end until that time. [Applause.]

[Here the gavel fell.]

Mr. CLAGUE. Mr. Chairman, I yield 30 minutes to the gentleman from Massachusetts [Mr. TINKHAM].

Mr. TINKHAM. Mr. Chairman, the outstanding contribution of the United States to civil government was the principle of the complete separation of church and state. During recent years there has been a growing tendency on the part of some ecclesiastical organizations and leaders to forget that the true mission of the church is spiritual. Gradually they have arrogated to themselves the right to enter the political arena, in direct contravention to this American traditional principle, until to-day they constitute a real menace to the liberty of the American people.

Convinced after many years of observation in Washington that the Board of Temperance, Prohibition, and Public Morals was the chief offender against this salutary American traditional principle and was seeking to dominate the political life of the American people, I took occasion in April of 1930 to expose its offensive interference with the State by laying specific charges of its violation of this principle before the Senate lobby investigating committee.

During the investigation that followed and as a mere incident to it, facts came to light that indicated the viola-

tion of the Federal corrupt practices act by Bishop James Cannon, jr., chairman of the Commission on Prohibition and Social Service of the Methodist Episcopal Church South. Another Senate committee, commonly referred to as the Nye committee, after a complete investigation, unanimously reported Bishop Cannon guilty of violation of this act. The evidence in the case was placed before the United States attorney, with the result that Bishop Cannon was indicted by a Federal grand jury for violation of this act. The bishop is now engaged in raising technical objections to the validity of this indictment.

Bishop Cannon, however, may now be dismissed, as nothing is left of him except a number of libel suits in which he claims damages aggregating about \$8,000,000 to what he chooses to call his reputation, not one of which suits he will dare to bring to trial.

The political influence of Bishop Cannon has been destroyed, but there does remain in operation the chief offender, the Methodist Board of Temperance, Prohibition, and Public Morals.

An investigation of the affairs of this board by the lobby investigating committee revealed that the board had violated in the most flagrant manner the principle of the complete separation of church and State by engaging in political lobbying activities, by interfering with the Federal judiciary in attempting to dictate appointments and to coerce judges, by taking an active part in political campaigns, and by expending sectarian funds for partisan political purposes.

The principal charges before the Senate lobby investigating committee were made against Clarence True Wilson, so-called general secretary of the board. Although the committee continued its sessions for several months, Mr. Wilson never dared to appear before the committee, where he would have been subject to cross-examination under oath. He sent to represent him and the board Deets Pickett, so-called research secretary of the board.

Mr. Pickett defended the activities of the board in the name of free speech, free press, and the right to petition; but it was developed before the committee that with systematic lobbying and communications to Congress, and with systematic attempts to dictate the appointment of Federal judges and district attorneys, and to coerce the judiciary, this board had grossly abused these rights.

To substantiate the charges of lobbying, evidence was submitted to the committee, from an official publication of the board, that in raising funds for the headquarters of the board directly opposite to the Capitol, erected at a cost of about \$500,000, it was stated:

Fortunately we have the location of all locations, just opposite the Senate wing of the Capitol—

And—

Of all purchases that have ever been made for Methodism between the two oceans, this is by all odds the most fortunate and the most strategic.

The location of their headquarters "just opposite the Senate wing of the Capitol" is "fortunate" and "strategic" because it enables them to carry out their purpose of maintaining close surveillance upon Congress and intimate contacts with Members of Congress, as the board has continually done.

In a public letter written to the board on April 29, 1929, Senator COPELAND, of New York, a Methodist, denounced the board for "its manifest efforts to dictate and control legislation" and branded Deets Pickett as a lobbyist, charging that he had appealed to him as a "Methodist" to vote in favor of a certain legislative proposal.

There was submitted to the committee also evidence that in the headquarters of the board directly across from the Capitol there was kept a card index of all the Members of the Senate and House on which appeared all the information concerning each Member that could be assembled, including his church affiliation; that the agents of this church board communicated with Senators and Representatives in relation to legislation, and that Clarence True Wilson had appeared before committees of Congress; and that the Clip-sheet, which expressed both legislative and political views,

and denunciations of public officials with whom the board did not agree, of whom I have been one, was sent regularly to Members of the Senate and House.

To substantiate the charges of interference with the judiciary there was submitted to the investigating committee an article which appeared in the August 3, 1929, edition of Collier's Weekly, in which Mr. Wilson stated with reference to the appointment of judges and district attorneys:

* * * I do not recall that in a single instance of the 50 that I have been interested in an appointment has been secured. * * *

It will be noted that Mr. Wilson unequivocally states that he was interested in 50 appointments connected with the United States judicial service.

There was submitted to the committee also copy of an address which Mr. Wilson delivered in Massachusetts on April 12, 1929, in which he denounced the Federal judiciary in the following terms:

The worst anarchists we've got in this country are not the boot-leggers, but the judges who won't impose the penalties that they should.

Thus it will be seen that Mr. Wilson not only attempted to appoint the judges but also tried to coerce them after their appointment to do the will of the Methodist board.

Let me review briefly the evidence—the conclusive evidence—that was developed before this committee in support of my charges that the board had violated the Federal corrupt practices act, as had Bishop Cannon.

The Federal corrupt practices act provides that any organization which "makes expenditures for the purpose of influencing or attempting to influence the election of candidates or presidential and vice presidential electors in two or more States" shall file a report of such expenditures under oath with the Clerk of the House of Representatives.

Neither this board nor its officers, Clarence True Wilson or Deets Pickett, reported to the Clerk of the House of Representatives, as required by law, the expenditures which they made during the 1928 political campaign to influence the 1928 election.

They deny that any of their money was spent for political purposes.

Let me submit to this committee and put upon the table for examination, in order that the committee may see for itself that it is wholly political in character, a circular issued by the board during the 1928 campaign. It will be noted that it bears the names of Clarence True Wilson and Deets Pickett as officers of the board. This circular purports to be Governor Smith's legislative record with a political interpretation by the board.

Let me quote from the records of the Senate lobby investigating committee the testimony of Deets Pickett under cross-examination in relation to this circular:

Senator BLAINE. Now, why did you have such enormous quantities of that literature circulated?

Mr. PICKETT. Because we wanted everybody to get right and know what that record in regard to prohibition was. We wanted that there be no misunderstanding so far as we could make the matter clear.

Senator BLAINE. And you wanted them to know that they should not vote for Governor Smith.

Mr. PICKETT. We wanted them to know what that might mean to the Constitution of the United States.

Senator BLAINE. But it was opposed to Governor Smith?

Mr. PICKETT. It was opposed to his position on prohibition.

Senator BLAINE. This literature was not issued to aid the candidacy of Governor Smith, certainly.

Mr. PICKETT. I do not think it helped him any.

Senator BLAINE. And it was circulated to aid the candidacy of some one else against Governor Smith?

Mr. PICKETT. That was purely incidental. That was purely incidental.

Senator BLAINE. That is rather hairsplitting. I won't go into that. The statement, of course, speaks for itself.

I wish to submit to the committee also, and I hope the committee will examine it, a typewritten copy of a report headed Sixteenth Annual Report of Deets Pickett, research secretary of the Board of Temperance, Prohibition, and Public Morals, December 4, 1928. This report was handed to me by a member of the press gallery within 24 hours of its issuance and is the copy upon which I based my charges

before the Senate committee. On page 8, as you will note, there appears the following:

The board circulated enormous quantities of Al Smith's record, a detailed account of the governor's attitude toward the prohibition law and liquor restriction since his early days of political activity. This record was supported by photostatic reproductions of each page of the New York Legislature's Journal on which any part of the record appeared.

As will be seen, this statement is directly followed by the sentence—

The Clipsheet was nonpartisan but unequivocal in its opposition to Mr. Smith on other than partisan grounds.

When Mr. Pickett appeared before the committee six weeks later on behalf of the board there was submitted to the committee copy of this same sixteenth annual report taken from the files of the board, which had this one remarkable change: At the end of the sentence—

This record was supported by photostatic reproductions of each page of the New York Legislature's Journal on which any part of the record appeared—

had been added the words "and was sold." However, when Mr. Pickett was closely questioned as to whom this material was sold and about the records of delivery, and so forth, he could give no information whatever. In my opinion, these words were added to the report which I had already placed before the committee in an attempt to refute my charge that the board had violated the Federal corrupt practices act in the 1928 presidential campaign by making it appear that the board had not paid for the distribution of this circular.

Even if some copies of this circular were sold as alleged, it was developed before the committee that the board itself had distributed a very large number of copies of it, and this distribution would bring the board within the law as having made expenditures in an attempt to influence a presidential election.

No report of any expenditures for the printing and circulation of this publication, however, was filed by the board with the Clerk of the House of Representatives; therefore, the board was guilty of flagrant violation of this act, a criminal statute.

Violation of the Federal corrupt practices act by the board first came to my attention in 1929. I immediately brought the matter to the attention of the Attorney General of the United States in a public letter dated June 29, 1929, demanding that the board be prosecuted for violation of this Federal statute. The Attorney General took no action and now action is barred by the statute of limitation. At the time, and later before the Senate committee, Deets Pickett defended the distribution of the Clipsheet on the ground that it had the status of a newspaper and therefore did not come within the terms of the Federal corrupt practices act. But when under cross-examination before the Senate committee he was compelled to admit that the Clipsheet was not issued regularly, that there was no obligation on the board to publish it at all, that it had no subscribers who paid anything more than a nominal cost, that most of the Clipsheets were distributed free of charge, that it carried no advertisements, that it was issued for publicity purposes, and that it did not have the mailing privilege of newspapers. The mendacity of Mr. Pickett's defense is characteristic of the man who made it, as will be demonstrated later.

In further proof that this board did participate in a partisan manner in the 1928 presidential campaign, let me quote a statement which Mr. Wilson made in his report at the annual meeting of the board at Washington on December 4, 1928. Mr. Wilson stated:

It looked six months ago as though I was going to be out of it, as my physician and the committee of our board ordered me to take a complete rest for six months, and, if necessary, for a year, but when I had had six weeks' rest, the Al Smith propaganda had a more stimulating effect than any medicine could, and I was well and at it again.

I addressed 31 Methodist conferences, have given 98 campaign speeches, in all the Western States, and in Kansas, Oklahoma, Kentucky, Tennessee, Indiana, North Dakota, and other States, 30 in all.

No report of the travel and subsistence expenses of Mr. Wilson incident to carrying on this campaign was made to the Clerk of the House of Representatives, as required by law.

In this same report of December 4, 1928, Mr. Wilson stated also:

* * * We did use all the energy in the planning that we were capable of in bringing about the election of Herbert Hoover as President and Charles Curtis as Vice President.

But over and beyond the violations of the Federal corrupt practices act by this board to which I have drawn attention, there existed what would appear to have been a clear conspiracy between this official board of the Methodist Episcopal Church and Bishop Cannon, chairman of the Commission on Prohibition and Social Service of the Methodist Episcopal Church South, to violate this act.

On September 15, 1928, Bishop Cannon wrote a letter to Mr. W. C. Gregg, of Hackensack, N. J., which read in part as follows:

Referring to the fact that all funds which are used under the auspices of the Anti-Smith Democrats must be reported by our treasurer as used for political purposes, I would say that if you prefer that your contribution should not appear in the report of the committee, it can be utilized in the literature campaign of the Board of Temperance and Social Service of the Methodist Episcopal Church South, which can concentrate to that extent to the amount of \$500, especially in Tennessee.

We are carrying on two kinds of work. Through our board of temperance and social service we are distributing literature which emphasizes very strongly the prohibition issue without calling the names of the candidates, but making, in my judgment, equally as effective an appeal for Mr. Hoover and against Smith as the literature which backs up directly the personal candidacy.

This letter shows that Bishop Cannon had a clear conception of the requirements of the Federal corrupt practices act and a plain intent to violate the act. No person with even a rudimentary sense of moral obligation to obey the law would have written such a letter.

In the annual report of Clarence True Wilson, dated December 4, 1928, to which I have already referred, it was shown that the Methodist board made a contribution of \$5,000 for the same purpose, as indicated in this communication to Mr. Gregg. We read:

* * * Anyway, the next morning I came down to get the mail and got the monthly check for the world service for October, which, instead of being \$15,000, as it was the year before, proved to be \$35,000. This enabled us to rush \$5,000 for the payment of printing Bishop Cannon's messages all over the Southland * * *.

Notwithstanding that this \$5,000 was used for political purposes, namely, to influence the election of a President, its receipt was not reported to the Clerk of the House of Representatives by the anti-Smith Democrats, the political committee of which Bishop Cannon was chairman, or by the Commission on Prohibition and Social Service of the Methodist Episcopal Church South, the ecclesiastical committee of which Bishop Cannon was chairman, nor was its expenditure reported to the Clerk of the House of Representatives by the Board of Temperance, Prohibition, and Public Morals.

The money spent for the circulation of "enormous quantities" of Al Smith's record, and for the traveling and subsistence expenses of Clarence True Wilson during his political stumping tour, and the \$5,000 contributed to Bishop Cannon for the printing of his literature to influence the choice of presidential candidates in the 1928 campaign were all paid from sectarian or church funds. The use of sectarian or church funds for partisan political purposes is without justification. It is an attempt of the organized church to control the Government of the United States, a most reprehensible thing in a republic, particularly this Republic.

To show what may result from the participation of the ecclesiastical organizations in political affairs and from the expenditure of sectarian funds for political partisan purposes, let me quote a statement made by Deets Pickett in the November, 1928, issue of the Voice, the official monthly publication of the board, and reported on page 4752 of volume 10 of the hearings before the Senate lobby committee. Mr. Pickett said:

The bald truth is that the inefficiency of the Republican political organization in this campaign was startling. Except for the counsel of Senator CURTIS, the Republican management was lacking in the advice of astute and experienced political leaders. The fight was won not by the Republican Party but by the churches, the Woman's Christian Temperance Union, the Anti-Saloon League, and other temperance organizations.

This presumptuous assertion implies that the present political control of the Government of the United States is under ecclesiastical domination and direction, and that the last presidential election was not carried by the people of the United States but by certain sectarian organizations. No political campaign in the United States ever reached such a degree of degrading bigotry and intolerance as the presidential campaign of 1928. I do not hesitate to say that this disgraceful occurrence was due almost wholly to the instigation of this church board and its allies.

Speaking with full deliberation and knowing thoroughly the evidence in the case I am presenting to this committee, I wish to state that, in my opinion, if criminal laws were impartially enforced in this country Bishop Cannon and Clarence True Wilson would be in a Federal penitentiary for violation of the Federal corrupt practices act, a criminal statute, and that Deets Pickett would be in a Federal penitentiary not alone for violation of this same act but also for perjury, of which crime he is unquestionably guilty, as I shall now proceed to demonstrate.

On April 9, 1930, as may be seen from page 3752 of the hearings before the Senate committee, I asked that the books of that organization be subpoenaed by the committee. On April 11 I was informed that the day before there had been delivered at Baltimore 11 packages of documents which had been shipped from the Methodist headquarters here on April 9.

This information was communicated to the late Senator Caraway, chairman, and to Senator WALSH of Montana when he was acting chairman of the lobby committee with requests that an investigator of the committee be sent immediately to Baltimore to ascertain the contents of these packages. This was not done. However, when Deets Pickett appeared before the committee about six weeks later, on May 27, on behalf of the board he was asked to furnish the committee with information concerning the shipment of all packages that had been sent from the Methodist headquarters by other means than by mail or parcel post from January 1 to date. The following day the following colloquy took place between Senator TYDINGS and Mr. Pickett:

Senator TYDINGS. I asked if you would ascertain whether or not there had been any shipments of literature or other material from your headquarters subsequent to January 1 other than by mail or parcel post.

Mr. PICKETT. Yes; I asked everybody who might have any such information over there, and they said no.

Senator TYDINGS. No one knew?

Mr. PICKETT. No one knew. I did not know what you were getting at, Senator, yesterday, but it was brought out a short while ago. There are none of our records in Baltimore or anywhere. We have no office anywhere except right here. Here is all the dynamite on the table.

Senator TYDINGS. That is so far as you know?

Mr. PICKETT. I can state positively I do know.

Senator TYDINGS. Doctor Wilson is secretary of the board, is he not?

Mr. PICKETT. Yes.

Senator TYDINGS. He might have taken occasion to dispose of records without your knowledge?

Mr. PICKETT. Yes.

Senator TYDINGS. You did not communicate with him since yesterday?

Mr. PICKETT. No. I know he has no letters with him except a few letters that relate to this—

Senator TYDINGS. I did not mean with him, but he might have handled records in some way or another without your knowing about it?

Mr. PICKETT. No; I know Doctor Wilson too well for that. He would not know anything about it. He would have to ask Mr. Joiner where his files are, probably.

Senator TYDINGS. Do you ever use trucks as a means of conveying literature or papers?

Mr. PICKETT. No; except to send to the post office.

Senator TYDINGS. I mean you would not use a truck to make a shipment to some other place, would you?

Mr. PICKETT. No.

Senator TYDINGS. And never have?

Mr. PICKETT. No.

Senator TYDINGS. Never have?

Mr. PICKETT. No.

Senator TYDINGS. You have not in the last three months?

Mr. PICKETT. No.

Senator TYDINGS. So that if I were to tell you that there had been a shipment of some boxes that contained books or papers in the last three months you would say that in your opinion I was mistaken?

Mr. PICKETT. I certainly would. Perhaps I can explain it.

Senator TYDINGS. Please do.

Mr. PICKETT. You give me further details.

Senator TYDINGS. No; you say you never used that means of transporting any of your property.

Mr. PICKETT. No; we own no truck.

Senator TYDINGS. I do not mean that. You could hire a truck.

Mr. PICKETT. Oh, yes; certainly.

Mr. Pickett may protest as much as he likes that no packages left the Methodist headquarters from January 1 to May 28, except by mail or parcel post, but here I have photostatic copies of a freight bill and a freight receipt, obtained only a few days ago, which I now place upon the table for the committee to examine, which shows that on April 9, 1930, 11 packages were removed from the headquarters of the Methodist Board here and delivered the next day at Baltimore.

Can there be any other inference drawn from the removal of these packages the day upon which I asked the committee to subpoena the books of that organization than that the board hastened to remove and secrete incriminating documents?

In the light of this indisputable evidence I charge that Deets Pickett was guilty of perjury in his testimony before the Senate committee, and I call upon the Attorney General of the United States to prosecute him for this offense, prosecution not yet being barred by the statute of limitation.

The charge that the board quite possibly had a plan to obtain absolute control of the Government of the United States is not fantastic, as may be seen from the following statement which appears on the last page of the Sixteenth Annual Report of Deets Pickett, dated December 4, 1928, which I have already offered to the House. It reads:

... The great need of the temperance reformation in America to-day is a forward movement to capture the administration of every State, county, and town in America for honest, efficient enforcement of all law.

The use of the words "enforcement of all law" by this board, which does not itself obey the laws, is a mere subterfuge which it uses as a cloak for its real purpose, which is ecclesiastical domination of the United States and the substitution of a theocracy—government by the church—for our democracy of representative government.

Whenever the board is attacked because of its political activities and its delinquencies it asserts that an attack is being made upon Protestantism.

As the first principle of Protestantism in the United States is the complete separation of church and state and as Protestantism in the United States is opposed to the expenditure of sectarian funds for partisan political purposes and believes that laws should be obeyed, the claim of this board is an insult to Protestantism. Moreover, it is a danger to the Methodist Church, which I believe is not fairly represented by this board. I know there are a large number of its constituency who do not approve of the political activities and the methods of the board. Most Methodists still believe that American Protestantism should heed the admonition to "Render unto Caesar the things that are Caesar's; and to God the things that are God's." [Applause.]

Mr. BLANTON. If the gentleman is yielded two more minutes, will he yield to me for a question or two?

Mr. TINKHAM. Yes; I shall be pleased to yield.

Mr. BLANTON. The gentleman spoke of the Methodist Building being over here on the corner of the Capitol Grounds and of the board influencing Members. Since the 1st of last December I have had the pleasure of occupying an apartment on the fifth floor of that building, where our friend, Doctor CROWTHER, the gentleman from New York,

also has an apartment. I pay \$120 a month cash for an apartment there, unfurnished, and I had to buy all of my own furniture. I have never seen Dr. Clarence True Wilson but once since December 1, 1931. How does the gentleman account for his alleged coercing Congressmen so much?

Mr. TINKHAM. I understand the doctor has been sick for a number of months.

Mr. BLANTON. Is that the reason the gentleman is jumping on him now? He was not sick when I saw him.

Mr. TINKHAM. Oh, I would not do it for that reason.

Mr. BLANTON. Has the gentleman from Massachusetts ever wondered why it is that whenever he speaks there are only seven or eight Republican Members here and seven or eight Democratic Members?

Mr. TINKHAM. Perhaps it is because the House knows the honorable Representative from Texas is going to have many questions to ask.

Mr. BLANTON. If they knew that and that you would answer them, a lot of them would be here.

[Here the gavel fell.]

Mr. TINKHAM. Mr. Chairman, I ask unanimous consent to include as an extension of my remarks the three documents which I have offered to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts to extend his remarks as indicated?

Mr. BLANTON. Mr. Chairman, I shall have no objection to the inclusion of the last document which the gentleman says is a live matter now and concerning which there has been no action with respect to the 11 packages referred to; but as to the long double-columned printed document that related to a back transaction concerning which now there is no valid charge whatever in the courts against Bishop Cannon or anybody else I object to that going in the RECORD. I shall not object to the document relating to the packages or the other typewritten report referred to.

Mr. TINKHAM. Let me state then, Mr. Chairman, that I shall only offer those two documents.

Mr. BLANTON. They were used to elect President Hoover and against the Democratic candidate. The gentleman's Attorney General is a Republican; he has refused to take any action, and he must have had good reason. The gentleman's indictment against Bishop Cannon has been held to be no good, and so there is no charge against him.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts as modified?

There was no objection.

The matter referred to follows:

Vernon 6300; No. 3799. Freight bill, Baltimore Transfer Co., Monument and Forrest Streets, Baltimore, Md. Daily service between Baltimore and Washington.

From Washington, D. C.; date, April 9, 1930; consignor, Board of Temperance.

Consignee, R. J. Taylor, 4104 North Charles Street, Baltimore; articles, 11 packages; charges, paid \$4.

No. 387. We, the undersigned, do hereby acknowledge to have received in good order from the Baltimore Transfer Co. the articles set opposite our respective names, and promise to pay the freight promptly on demand.

BALTIMORE, MD., April 10, 1930.

BT. 3799; consignee, R. J. Taylor; articles, 11 packages; charges, freight and transfer, paid; signature, Mrs. Ralph J. Taylor.

SIXTEENTH ANNUAL REPORT OF DEETS PICKETT, RESEARCH SECRETARY OF THE BOARD OF TEMPERANCE, PROHIBITION, AND PUBLIC MORALS, DECEMBER 4, 1928

I feel that little time need be used in describing to you much of the work of the research department. You are thoroughly familiar with it. During 1928 we have trod the mill of routine and I trust have ground much good, hard wheat into mental and moral food. Hundreds of hours of work have gone into the collation of crime statistics, a prodigious task attended by peculiar difficulties in this land. Hundreds of letters of inquiry have been answered and material for articles, debates, and study have gone out in quantities. Matter has been prepared for the World Service News and the Church Bulletin, for Sunday school publications, for magazines and religious periodicals. We have circulated during the year a great deal of material on the Canadian system of dealing with the liquor traffic, believing that it had certain campaign implications and a peculiar interest to the people at this time.

The Clipseet has gone out as heretofore to the newspapers of the country, and the Voice has reached our ministry. I want to say just here that a great deal of loose criticism is made of the

newspapers and the news agencies. Our organization has no complaint. Even the great metropolitan dailies which are bitterly opposed to prohibition have, in the main, given us a fair deal in their news columns. As one correspondent said, "We lambast you in our editorials, but we take a pride in giving you a fair show on the news pages." The Associated Press, particularly, has treated us with great courtesy and has given our material such consideration as its news value merited. The Clipseet increases in prestige year by year until to-day it undoubtedly has a large good-will value. It is being used in the school of journalism of at least one of the great universities as a text of propaganda methods.

Early in the spring Doctor Wilson expressed his opinion, although he gave no definite instructions, that I should go to Europe to attend the Nineteenth International Congress Against Alcoholism. I was very loath to do so, because of an interest in the approaching campaign and because of the fact that Doctor Wilson would necessarily be absent from the office at the same time. But a short time before the last possible day of departure Doctor Doran approached Bishop McDowell, saying that he believed my presence at Antwerp would be of assistance to the Government, and so a quick trip was arranged.

While I was in Europe I was profoundly impressed by the striking contrast between social conditions as affected by drink there and here, a contrast much greater than it was seven years ago. In the words of a leading business man of England, the conditions in that country are "appalling, drunken, hellish"; and while bootlegging in the United States is a distressing problem, it is as nothing compared to the conditions in England resulting from the toleration of public houses, sometimes half a dozen in number within a city block. Nor is it comparable to the evil caused by the drinking places in Belgium and France, where on Saturdays the poorer women customarily pawn articles of clothing or furniture in order to get a few cents to replace the wages which have been looted from the pay envelope by the estaminets and sidewalk cafés. "It is a weekly round of misery and privation, indeed of virtual starvation," among hundreds of thousands of families, and the communities show the results in dirty gutters and despairing faces. But if this be true and it is as distressing to any right-thinking American as it is to the native of the country afflicted, it is just as true that there is in evidence a striking change in sentiment among the leaders of thought, politics, industry, and commerce in Great Britain and Germany, and to a lesser extent in other European countries. Whereas seven years ago the press and politics almost universally voiced nothing but ridicule and contempt for the "American noble experiment," to-day we find here and there a leader who does not hesitate to say that his country must, for its own salvation, follow the American lead, while many hundreds of others are significantly silent. I believe that the political and industrial leaders of Great Britain and Germany are convinced that prohibition is an essential part of the marvelous prosperity of the United States; that, in fact, it is no longer an experiment but a wonderful success from the economic viewpoint; and that the minds of the so-called common people of these countries must be prepared to accept still more drastic restrictions on drink, with prohibition as an eventual and logical goal. One consequential figure in British public life said, "We still believe that you are suffering from great social evils because of your way of handling the drink question; but the advantages of prohibition are not only great enough to outweigh the social disadvantages but are absolutely compelling. Our situation in the face of relatively sober American competition is fast approaching the impossible." The remarkable evidence visible on every hand in Europe of a growing American trade is reinforcing these convictions. It seems to me that the results of the recent election will afford European opinion a final verdict on prohibition. I found the European interest in the American political campaign intense. Nor was the prohibition issue underestimated. The first question asked by a casual acquaintance would inevitably be, "Are the American people going to keep prohibition or will they elect Al Smith?" There is, of course, since the election a disposition on the part of that section of the European press which is still fighting the battle of the drink trade to mislead sentiment. I have a letter from my brother, Dr. J. Waskom Pickett, editor of the Indian Witness, Lucknow, India, in which he says: "The proliquor papers have been trying to tell us in India for weeks that Al Smith would certainly be the next President. But the last two or three days they have been publishing telegrams stating that the betting in New York was 3 to 1 in favor of Hoover. This they are accounting for by the fact that the bootleggers are backing Hoover and that they are so strong and numerous that they will doubtless turn the scales in Hoover's favor." And the London Daily Chronicle of November 8 declares that the enormous vote for Mr. Smith has served an ominous warning on President-elect Hoover, and that "it is virtually certain that Hoover will concede as the next presidential contest approaches that the noble experiment has gone far enough to demonstrate the necessity for some modification of the Volstead Act."

Nevertheless, in my opinion, the overwhelming election of Mr. Hoover will be the final and convincing message from America to Europe that prohibition succeeds, that it is a permanent policy, that it is indeed that greatest of all influences in the world, a victorious idea, and despite the attitudes of the Paris editions of the New York Herald and Chicago Tribune, despite the slumming and reckless conduct of many visitors to Europe, the great body of Americans, resident and touring there, support the policy by word of mouth and, more than is realized, by conduct. At a dinner of the American Club in Antwerp, where nearly

every native drinks as a matter of course, only one glass of intoxicating liquor appeared on the table, although there must have been nearly a hundred Americans present.

Doctor Doran, attended by his State Department adviser, Mr. Ansleger, held numerous conversations as to smuggling with the government officials of Great Britain, Holland, Belgium, and France. I was struck with Doctor Doran's facility in adapting himself, not only to the conditions of his contacts with the governments of these countries, but to the environment of the Nineteenth International Alcohol Congress. This body is composed of representatives of the leading governments and peoples of the world, including legislators, diplomats, executive officials, social workers, church authorities, and specialists in the study of the alcohol problem. The temperance movements are becoming stronger in practically every country of the world. The alcohol question is pressing more and more for a solution. Conferences with these leaders of thought and action were mentally stimulating and vitally informing. I was highly honored by appointment as one of the permanent committee governing the international congress and was also made a member of the executive committee of the International Temperance Bureau, which is carrying forward so actively and intelligently the European temperance propaganda from Lausanne, Switzerland.

Largely through the efforts of the distinguished director of the International Bureau, Doctor Hercof, we have been able to initiate study of the alcohol problem in its international aspects by a committee of the League of Nations. I may say, confidentially, that this was accomplished, despite the most vigorous and consistent opposition on the part of the wine-growing countries and that the matter has been so arranged that the actual research and reports will be made by ourselves. I think the board will agree that this should insure an unbiased, exhaustive, and thoroughly sound series of studies.

Returning, we found the contest between the church and the Tiger in full flower. The board circulated enormous quantities of Al Smith's record, a detailed account of the governor's attitude toward the prohibition law and liquor restriction since his early days of political activity. This record was supported by photostatic reproductions of each page of the New York Legislature's Journal on which any part of the record appeared. The Clipsheet was nonpartisan, but unequivocal in its opposition to Mr. Smith on other than partisan grounds.

Perhaps the board would be interested in a brief summary of the results of the election. We all know of the enormous majority of Mr. Hoover, but not all of us have heard that on November 6 the prohibition majority was increased 11 in the House of Representatives and 8 in the United States Senate. This statement, however, is based upon inadequate information as to the position of 21 Members of the House. The probable dry strength of the House of Representatives is 329 and in the United States Senate 78.

Both House and Senate delegations of 23 States are entirely dry. The House delegations of 23 States are wholly dry, and both Senators representing 34 States are dry. Four States are represented by two wet Senators. The Representatives from only one State are all wet.

Eight wet Senators ran for reelection. Four of them were defeated, three being replaced by drys and one by a wet. Senators Bruce and Edwards of Maryland and New Jersey, who have been particularly fanatical in their opposition to the prohibition law and extreme in their abuse of prohibitionists, were defeated.

No dry Member of the Senate was defeated by a wet, although there were 23 dry Senators running for reelection, two of whom were defeated by drys in the primaries and one by a dry in the election. Of the 11 new faces in the Senate, 10 will be dry, and only 1 wet. There is a Kansas vacancy to be filled and a member of this board is highly available.

Will you permit me for a moment to quote with perhaps just a little excusable pride a few words from an editorial of some length in the Boston Evening Transcript of August 13, 1928. It says: "We have thought for some time that the propagandists of the country might learn something from that famous body with the redundant name, the Methodist Board of Temperance, Prohibition, and Public Morals. For many years that organization has issued a Clipsheet which is much more than its name implies. It is carefully edited, and it belies its name by publishing a great deal more original than scissored matter. We are not devoted admirers of all the utterances or doctrines circulated by means of this magic piece of paper, but we are constrained to say in the interest of general education that it is the ablest, most effective instrument for advertising a cause that comes our way. Our prohibitionist friends do not wait for some newspaper or magazine to put forth their argument; they say it themselves, and with such force and ability that they find themselves always in control of a highly efficient medium. They want the country to think their way, and they make a business of telling it what to think."

"Here is a hint not only for the wets but for all political organizations. The silent effect of original arguments and facts steadily dropping in upon the recipient's desk week in and week out is incalculable. Reprints are well enough, but they get nowhere in large newspaper offices, which are able to do their own clipping. But if our Republican and Democratic friends would mass their own ideas and hurl them forth as such into every editorial room in the country, their contributions would command some attention. Our Methodist friends have proved that. They have specialized for years with the news and the latest original

thought in their particular line. Why should not the political managers?"

The Voice, going to our ministers, was demanded in quantities for circulation. One issue had to be returned to the press for reprinting five separate times to fill the demand. A speech delivered at a church in Virginia by the research secretary not only received a wide circulation throughout the country but was picked up by opponents of Mr. Smith in Florida and used in truly astounding numbers. I am, however, convinced that other factors entered into the Hoover victory in that State.

The Boston Transcript's tribute to the Clipsheet, which I quoted, tempts me to bring to your attention the significant position of the board as a national social force in contrast to its beginnings and its small resources. Fifteen years ago it was in one room, with an income of much less than \$50,000 annually. Its current receipts have never been in excess of \$150,000 annually, and yet to-day in that brief space of time the platform influence of its general secretary has become outstanding as the major factor of its kind, its literary organs have acquired a prestige which is unchallenged, it owns a million dollars' worth of property, and its effective participation in national discussions is indicated by the unfriendly words of Mr. Edward S. Martin in Harper's for November: "One of the great issues of this campaign is anticlericalism, not directed mainly against the Church of Rome, but aimed to rescue our Government from the domination of the Methodist Board of Morals." These facts constitute, if I may say so, a tribute to the personality and to the wise leadership of the general secretary, who drives with a loose rein, carries no whip, but always gets to the destination exactly on time.

As in former years, the research secretary has spoken on numerous occasions and has concerned himself in regard to other moral interests. An amusing incident of the year was the suppression of a prize-fight club just across the river. Professional prize-fight managers of the lowest character had attempted to impose their discredited and brutal game upon the District of Columbia, despite the fact that the law defines it as a felony. One of these men is now in the penitentiary at Atlanta. But others, thinking perhaps that Virginia did not have as much regard for its laws as the District, passed over the river and attempted the same thing at the south end of Highway Bridge. The Baltimore Sun, in reporting the stopping of this fight by the Commonwealth's attorney and the sheriff, said in part: "Herbert Hoover has been elected and this match can not proceed," cried Sheriff Fields, of Arlington, Va., to-night, as he stopped a fight about to be put on at the Relee Club Hall, just outside of Alexandria. Mr. Gloth, Commonwealth's attorney, said that he had been forced to issue such orders by Deets Pickett, secretary of the Board of Temperance, Prohibition, and Public Morals of the Methodist Episcopal Church. Members of the club asserted that the result of the presidential election had had the effect of making county officials afraid of the power of the Methodist board."

During the year our files have been entirely reorganized and are a magazine of information. I have had loyal and efficient help from Mr. Grant, Mr. Rollins, and Mr. Lattin, and for a brief time from my daughter, who has had special instruction in file organization.

The great temperance need to-day in the Methodist Church is an educational program organized along the best lines of religious education and promoted with religious zeal. And the great need of the temperance reformation in America to-day is a forward movement to capture the administration of every State, county, and town in America for honest, efficient enforcement of all law. Criminals and nullifiers have no right to place and power anywhere in this land, and there are enough patriotic, God-fearing men and women to drive them into oblivion wherever we choose to join battle. May God inspire us to the task.

Mr. WRIGHT. Mr. Chairman, I yield to the gentleman from Oklahoma [Mr. HASTINGS].

Mr. HASTINGS. Mr. Chairman, when the Seventy-second Congress convened on December 7, 1931, business in this country was trembling in the balance. Financial conditions had grown from bad to worse. Our entire financial structure was threatened. Banks were failing all over the country. During the last quarter of 1931 there were 1,049 bank failures in this country. In the month of October, 1931, there were 522 bank failures, the greatest number of failures in any one month in the history of the country. There were 353 failures in December, 1931. For the entire year of 1931 there were 2,291 failures, with deposits of \$1,759,000,000. Many of these failures were of entirely solvent banks, with plenty of good notes and other securities, except they were not liquid enough for money to be immediately realized upon them.

The railroads of the country were seriously affected and the thousands of railroad employees were facing unemployment, and a general railroad crash would have resulted in the collection of no taxes from them and would have affected every school district through which they run. Cer-

tain railroads were threatening to surrender their charters and to suspend operations.

Insurance companies carrying 70,000,000 insurance policies, having assets that could not be immediately realized upon, including real estate, were in dire distress.

Building and loan companies, in which millions of our citizens had investments, were facing financial disaster.

The farmers of the country, through losses of 10 years, were unable to meet their obligations and pay taxes, and were even unable to secure funds to make the crop for 1932. All other classes of business were in the same financial distress.

The number of unemployed had increased to about 8,000,000. Thousands had to be fed and supported from public funds or charity. The situation was extremely critical. The truth is no one knew what a day would bring forth.

As soon as the committees of Congress were organized, about December 15, 1931, hearings were immediately begun on emergency legislation, in an effort to save the country from financial chaos and ruin.

The Banking and Currency Committee held hearings during the 1931 holidays. The Secretary of the Treasury and many representatives of all classes appeared before the committee. As a result of these hearings and the recommendations of the President and the Secretary of the Treasury the Reconstruction Finance bill was reported to the House on January 9, 1932. It was patterned after the War Finance bill. It provided for seven members, to form the board of directors, including the Secretary of the Treasury, the governor of the Federal Reserve Board, and the Farm Loan commissioner, and four additional members nominated by the President and confirmed by the Senate.

This bill authorized an appropriation of \$500,000,000 to be subscribed by the Secretary of the Treasury and the board of directors was authorized to issue notes, bonds, debentures, or other obligations, in the sum of three times this capital. This authority has not yet been exercised.

Section 5 of the bill states its purpose "to aid in financing agriculture, commerce, and industry," and authorizes loans to be made "to any bank, savings bank, trust company, building and loan association, insurance company, mortgage loan company, credit union, Federal land bank, joint-stock land bank, Federal intermediate credit bank, agricultural credit corporation, and livestock credit corporation," and in addition section 2 of the bill specifically provides that \$50,000,000 of the amount so subscribed, and the expansion of the same, through notes, debentures, bonds, or other obligations, which increases the amount to \$200,000,000, shall be allocated to the Secretary of Agriculture—

For the purpose of making loans or advancements to farmers—under such regulations as the Secretary of Agriculture shall prescribe. The Secretary is authorized to make loans on first-lien crop mortgages where no other security can be given. This provision was intended as a direct benefit to the thousands of farmers who have no other security than mortgages on their crops, to enable them to make crops for the year 1932.

This bill was favorably reported from the Banking and Currency Committee of the House, without a minority report, and was taken up and considered in the House on January 15, 1932, and passed by a vote of 335 to 55. A similar bill had already passed the Senate on January 11, 1932, by a vote of 63 to 8. When the House bill was passed, it went to the Senate. The Senate substituted its bill for the House bill, and the differences between the two Houses were adjusted in conference.

The Reconstruction Finance Corporation was organized February 2, 1932, with Gen. Charles G. Dawes, who has had extensive financial experience, as its chairman.

On April 21, 1932, Mr. Dawes appeared before a House committee, where he discussed at length the purposes of the Reconstruction Finance Corporation Act, the emergency it was intended to meet, through assisting the various classes to which loans were authorized to be made. He said:

The object of the President and Congress was not primarily the relief of these corporations themselves as such, but of millions

of the people who have entrusted these particular classes of corporations with their funds and who suffer if the power of these corporations to function normally is unduly impaired.

In other words, its primary purpose was to assist the individual citizen.

He called the attention of the committee to the fact that there were deposited in banks, including savings banks and trust companies, \$46,000,000,000, which, he stated—

Represent the bulk of the purchasing power now existing in our country and are the ready assets of millions of families. Nothing is more important to the masses of the American people than the preservation of the credit and the normal functioning of banks.

These deposits had decreased \$9,000,000,000 in two years.

General Dawes further stated:

In the normal functioning of insurance companies our people are vitally interested, for there are about 70,000,000 insurance policies in force and likewise with building and loan associations with their many millions of families participating.

As to the interest of the public in railroad securities, he stated:

In the securities of railroad corporations, practically all classes of fiduciary institutions dealing directly with the savings of the people are interested, as well as great numbers of individual investors.

As to other classes of loans General Dawes stated:

As to mortgage loan companies, credit unions, Federal land banks, joint-stock land banks, Federal intermediate credit banks, agricultural credit corporations, and livestock credit corporations, the same public interest exists.

In answer to questions General Dawes repeatedly stated that no loan is made by the corporation to any class except upon "adequate security," and that he expected all loans to be repaid. Loans are made to railroad companies at 6 per cent interest and to banks at 5½ per cent interest.

In further discussing the operation of the corporation, General Dawes stated that under this law the matter of loans to be made to the farmers, as provided by the bill, was turned over to the Secretary of Agriculture, who was authorized to make these loans.

In discussing the effect of the loans made by the corporation, General Dawes said:

The evidence of the effectiveness of its work is found in the fact that in the 71 days which preceded February 2, 756 banks with \$521,000,000 deposits, suspended in the United States, while in the 71 days from February 2, when the Reconstruction Finance Corporation started its operations, to April 12, there suspended in this country only 182 banks—less than one-fourth as many as in the preceding 71 days—having \$79,744,000 deposits, an amount less than one-sixth as much as those in the preceding 71 days.

He further stated:

In addition, during the latter 71 days, with the assistance in many cases of the Reconstruction Finance Corporation, 79 failed banks, with \$36,520,000 deposits have reopened.

He also stated that the general withdrawal of bank deposits had stopped and hoarded money to the extent of \$250,000,000 had been returned to the banks during the period since the commencement of operations of the Reconstruction Finance Corporation.

General Dawes further stated:

General confidence in our banking system has been restored, which is and always has been an indispensable condition of a succeeding general business and industrial recovery.

In further discussing the organization of the corporation, he stated:

As a matter of fact, however, the bulk of the bank loans in number and amount have gone to the small banks.

And later stated:

Only 5.3 per cent of the money loaned was to banks located in cities of 1,000,000 population or over.

As to building and loan associations General Dawes said:

These institutions gather their funds chiefly from the small savings of people of moderate means and occupy an important place in our financial structure.

He explained that the corporation has 33 loan agencies distributed throughout the country for the purpose of receiving applications for loans and making recommendations to the board of directors.

As to loans to other classes, with peculiar benefit to farmers and livestock men, he testified:

In addition to the above, the corporation has authorized loans to joint-stock land banks, livestock credit corporations, agricultural credit corporations, and mortgage-loan companies in the aggregate number of 24 and in the aggregate amount of \$14,400,435.

In summing up General Dawes said:

The corporation has authorized, in the brief period from February 2 to April 19, loans to 1,757 institutions, aggregating \$370,437,802, of which \$285,456,521 has been disbursed to the borrowers.

And explained that—

Repayments during this period aggregated \$11,384,263.

During his statement General Dawes repeated over and over again that these loans were made on "adequate security," and expressed the opinion:

Therefore, my expectation is there will be no loss to the Government.

In answer to the suggestion of the chairman of the committee that there had been some political criticism of the bill, General Dawes stated:

Chairman RAINY referred to some of the political talk about the Reconstruction Finance Corporation and giving away money to big corporations and discriminating between large and small corporations, and so forth. It would be easy enough for us to form a little committee on the board to report out political buncombe and smut, but we are not in that line of business. A lot of damned demagogues in the country are injuring general business by mixing politics with it.

You want us to do a business job, and we are going to do it, politics or no politics, and it does not make a damned bit of difference what anybody says about it. We will do our duty. We will make our mistakes, but we will do the best we can.

One of my opponents is unfavorably criticising the enactment of this legislation creating the Reconstruction Finance Corporation and is making a futile effort to make politics out of it. I did not know that General Dawes knew him so well or so intimately.

The truth is this opponent criticizes this emergency measure recommended by the Banking and Currency Committees both of the House and Senate, the President of the United States, the Secretary of the Treasury, and which was enacted in the House by a vote of 335 to 55 and in the Senate by a vote of 63 to 8. He assumes to criticize a measure enacted to stabilize business conditions in this country. He knows more than all of them combined. Why does he not state the kind of a bill he would enact?

In further discussing the operation of the corporation General Dawes said:

The Reconstruction Finance Corporation is endeavoring to do business on a proper basis as it sees it. Democrats and Republicans both joined in enacting the law, creating it, and it was a joint accomplishment. It was born of high patriotism and national idealism. Political differences should not involve this nonpartisan Reconstruction Finance Corporation.

After stating the rate of interest charged on loans is 6 per cent to railroads and 5½ per cent to banks, following an inquiry by Congressman RAGON, of Arkansas, General Dawes further stated, in reply to questions by Mr. RAGON:

Mr. RAGON. In your judgment as a business man you think the Government of the United States will make money out of this in place of losing it?

General Dawes. I think so; yes, sir.

Mr. RAGON. Whenever you help a bank, can you figure any institution that you can help in a community that would be more beneficial than helping a bank?

General Dawes. No, sir. I think that is our most important work.

Mr. RAGON. You not only help the directors of the bank, the stockholders of the bank, but the depositors of the bank and the business of practically every man, whether he is a merchant or laboring man, in that community?

General Dawes. Certainly.

The benefits and the effectiveness of this legislation are shown by the following:

Mr. RAGON. I want to say to you that before you went into operation there was hardly a day in my State of Arkansas that there was not a bank failure, and since that day I do not think we have had a single failure. That is how effective it has been in Arkansas.

This is measurably true of my own State of Oklahoma. Unfortunately, conditions brought about many bank fail-

ures. We have had them in practically every community. I have heard of none in my district since the enactment of this law. The depositors and business men, the people in the community generally, know the financial gloom that follows a bank failure.

Discussing the general benefits of the bill, General Dawes said:

Anybody sitting on the board where I am sees things are getting better in this country, and we are in a damned sight better position to see it than people over there on the stock exchange fooling at present with a peanut stand. We on the board get a cross section of the whole country.

This is an encouraging statement.

Then, directing attention to the benefits this legislation has been to agriculture, Mr. RAGON made the following inquiry:

Mr. RAGON. Under this same act we provided \$50,000,000 to be loaned to the farmers, and that it could be expanded by the bond issue provisions up to \$200,000,000.

In answer to this inquiry General Dawes stated that this was correct, but that this amount had been turned over to the Secretary of Agriculture to be loaned to the farmers, as provided by the bill.

Mr. RAGON. I wonder if you know that money is going to the very poorest class of farmers we have in this country, men who are unable to get supplies from merchants, men who are unable to get any discount whatever from the bank—that the very poorest class of people in this country are the ones this is being made most available to?

General Dawes. Yes. I think the average loan—what is it now, \$450?

Mr. RAGON. They limited it to \$400 and the average loan, I judge, is far less than \$100. I think that is true.

In further discussing the matter, Mr. RAGON stated:

Mr. RAGON. Here is a note that has just been sent up to me by a Congressman here, which states that in the State of North Carolina, information comes to his desk this morning that under this law there have been advanced loans to over 30,000 farmers in the State of North Carolina.

The Secretary of Agriculture reports loans made to farmers in Oklahoma aggregating \$590,524.

I do not have the figures showing the amount of loans made to other classes, other than farmers, in the State of Oklahoma.

Of the \$200,000,000 specially set aside for loans to farmers for the purchase of seed, stock, and to make needed improvements, \$63,342,103.81 has already been distributed throughout the United States.

Additional loans made through the intermediate credit banks, agricultural credit corporations, and live stock credit corporations, will increase the amount loaned to farmers to more than \$75,000,000.

In an effort to prejudice the people against the Reconstruction Finance Corporation and to make political capital out of it, the provisions of the bill are not explained showing that \$50,000,000 has been turned over to the Secretary of Agriculture, with the expansion limit of three times that amount available to be loaned to farmers of the country without any security other than liens on their crops. This will reach the very poorest farmers in the country.

Nor is it stated that there are 70,000,000 life insurance policy holders, and the benefits that come to them are not explained.

An effort is made to prejudice the minds of the people against the loans made to the railroads under this bill, without advising that millions of people throughout the country own railroad securities and that hundreds of thousands of laboring people depend upon the railroads for employment. Nor is it explained to them the taxes they pay for the support of schools, and county, city, and State expenses.

This bill was enacted as an emergency measure. Conditions were critical. It was imperative to stabilize all classes of business.

General Dawes makes it clear throughout his entire statement that no money is being given away by the Reconstruction Finance Corporation to any individual, bank, or corporation, and that not a single dollar is being loaned except upon "adequate security," and that he did not ex-

pect any loss to result to the Government; but that, as in the case of the War Finance Corporation, the Reconstruction Finance Corporation should lose no money but should make a profit for the Government.

General Dawes further asserted:

Confidence in the credit structure of our country and in the banks of the United States has now returned. In general, bank deposits have ceased to fall and bank failures have been reduced to the minimum.

Every man who aspires to public office should inform himself on the questions he discusses and be fair enough to state all of the facts.

When we review the conditions existing when Congress convened in December and then analyze the provisions of this bill, showing the purposes for which it was enacted, and finally, when we read these encouraging statements by General Dawes to the effect that confidence is being restored and that conditions are being stabilized, and when we further consider the fact that this legislation was enacted, not for the benefit of the larger corporations primarily, but for the benefit of the common man—the farmers, the investors in railroad securities and laborers, the holders of life-insurance policies, and the depositors in the savings banks—and when we know all of the facts, I am sure we will agree that its enactment as emergency legislation was justified.

Mr. Chairman, I ask unanimous consent to extend my remarks and to include therein an address by former Speaker Champ Clark at the Washington Press Club to the newly elected Members of Congress, of whom I was one, emphasizing the value of experience which comes from long service in the House.

Mr. SNELL. Mr. Chairman, reserving the right to object, just what is the purpose of putting that address in the RECORD again?

Mr. HASTINGS. I want to put it in the RECORD for the information of the Members of the House.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. HASTINGS. Mr. Chairman, ex-Speaker Champ Clark is affectionately remembered by the people of the country for his lofty patriotism and his long, honorable service in the Congress of the United States.

On March 16, 1916, he delivered an address at the Washington Press Club to the newly elected Members of Congress, of whom I was one, emphasizing the value of experience which comes from length of service.

The address is as follows:

THE MAKING OF A REPRESENTATIVE

REMARKS OF CHAMP CLARK AT THE WASHINGTON PRESS CLUB RECEPTION, THURSDAY, MARCH 16, 1916

[Printed in CONGRESSIONAL RECORD, March 17, 1916]

It is a high honor to be a Representative in Congress, if for only one term, and with the number of terms the honor increases in geometrical rather than in arithmetical proportion. A Member's usefulness to his country should increase in the same proportion. A man has to learn to be a Representative just as he must learn to be a blacksmith, a carpenter, a farmer, an engineer, a lawyer, or a doctor.

"Poeta nascitur non fit"—a poet is born, not made—says Horace; but Congressmen—that is, useful and influential Congressmen—are made largely by experience and practice.

The old Charlotte district in Virginia knew this and kept John Randolph of Roanoke in the House till he became a great national figure. Then the Old Dominion sent him to the Senate and General Jackson sent him to St. Petersburg. There are sporadic cases of similar action in other districts.

It is an unwise performance for any district to change Representatives at short intervals. A new Congressman must begin at the foot of the class and spell up. Of course, the more brains, tact, energy, courage, and industry he has the quicker he will get up. If he possesses these qualities, and if his constituents will keep him in the House, he is as certain to rise as the sparks are to fly upward. No human power can keep him down. It is only fair and rational to assume that every Representative's constituents desire to see him among the "topnotchers."

Let us take the present House and see how long the men who hold the high places have served. I can not name all, but will cite a few as samples.

Mr. Speaker Cannon is serving his fortieth year. He holds the record, or, in pugilistic parlance, "he holds the belt," for length of service in the House in our entire history. In several Congresses he was chairman of the great Committee on Appropriations and then was Speaker eight years, only one man, Henry Clay, having been Speaker longer.

I am serving my twenty-second year; Minority Leader Mann is serving his twentieth year; Mr. Kitchin, chairman of Ways and Means, his sixteenth; Mr. Fitzgerald, chairman of Appropriations, his eighteenth; Mr. Moon, chairman of the Post Office and Post Roads, his twentieth; Mr. Jones, chairman of Insular Affairs and "father of the House," his twenty-sixth; Mr. Flood, chairman of Foreign Affairs, his sixteenth; Mr. Hay, chairman of Military Affairs, his twentieth; Mr. Glass, chairman of Banking and Currency, his sixteenth; Mr. Adamson, chairman of Interstate and Foreign Commerce, his twentieth; Mr. Stephens, chairman of Indian Affairs, his twentieth; Mr. Slayden, chairman of the Library, his twentieth; Mr. Henry, chairman of Rules, his twentieth; Mr. Lever, chairman of Agriculture, his sixteenth; Mr. Padgett, chairman of the Navy, his sixteenth; Mr. Lloyd, chairman of Accounts, his twentieth; and Mr. Sparkman, chairman of Rivers and Harbors, his twenty-second. There are other big chairmanships, but these will suffice to show that as a rule the big places go to old and experienced Members, for most of the men who rank close to the chairman are old-timers. The same thing holds good with reference to members of the minority. As an illustration, Messrs. Gillett and Cooper, who are serving their twenty-fourth year, are the ranking Republicans on Appropriations and Foreign Affairs, almost certain to be chairman thereof should the Republicans ever again have a majority in the House, as in that event, in all probability, Mr. Mann will be Speaker, unless he is nominated for President next June.

Go through the whole list and you will find, with few exceptions, that the men of long service have the high places.

New England and the cities of Philadelphia and Pittsburgh have understood the value of long service all along, and, having elected a fairly good man to Congress, they keep him in the harness.

The Member of longest consecutive service is called "the father of the House." Five Philadelphians in immediate succession bore that honorable title—Randall, Kelly, O'Neill, Harmer, and Bingham. Then it went to Mr. Dalzell, of Pittsburgh. When General Bingham announced the death of General Harmer, his immediate predecessor as "father of the House," he stated that the five Philadelphia "fathers of the House" had served a total of 147 years, and he served 8 or 10 years after making that interesting statement.

In the second and third Congresses in which I served, Maine, with only four Members, had the Speakership and the chairmanship of the great Committees on Ways and Means, Navy, and Public Buildings and Grounds—a most remarkable circumstance, giving the Pine Tree State an influence in the House and the country out of all proportion to her population and wealth. These four men, Reed, Dingley, Boutelle, and Millikin—each served in the House 20 years or more. Other States might profit by her example.

No man should be elected to the House simply to gratify his ambition. All Members should be elected for the good of the country.

The best rule, it seems to me, is for a district to select a man with at least fair capacity, industrious, honest, energetic, sober, and courageous, and keep him here so long as he discharges his duties faithfully and well. Such a man will gradually rise to high position and influence in the House. His wide acquaintance with Members helps him amazingly in doing things.

I can speak freely on this subject without violating the proprieties, for my constituents have kept me here 22 years, and for 20 years have given me nominations without opposition, for all of which favors I thank them from the bottom of my heart. Their generous action and unwavering friendship have enabled me to devote all my time to the public service. I have not been compelled to spend any portion of my time in "mending my fences." My constituents have attended to that. God bless them.

The speech of ex-Speaker Champ Clark is deserving of the thoughtful study of every voter of the country.

In the present Congress, Speaker JOHN N. GARNER is serving his twenty-ninth year; Mr. JOSEPH W. BYRNS, chairman of the Committee on Appropriations, is serving his twenty-fourth year; Majority Leader HENRY T. RAINEY is serving his twenty-eighth year; JOHN W. COLLIER, chairman of the Ways and Means Committee, is serving his twenty-fourth year. The same is true of the chairmen and ranking members of all the important major committees of the House. I am a member of the Committee on Appropriations and have been assigned to two subcommittees: (1) Interior Department bill, which makes appropriations for all bureaus under the supervision of the Interior Department, the Indian Service, including schools and health work; and (2) Independent Offices, which makes appropriations for all bureaus not under the supervision of a Cabinet officer, which

includes the Veterans' Administration, which handles all claims for disability compensation, pensions, hospitals, and all appropriations for the ex-service men.

Everyone appreciates that a Member of Congress should (1) know conditions in his district; (2) keep in touch with and be in sympathy with the people of his district; and (3) be honest and have the capacity to represent them.

No one should be elected to serve in any capacity who is dishonest or incompetent. No one would think of employing an attorney unless he thought he was capable of representing him or calling in a physician unless he had confidence in him, and, for that matter, no one would contract for the services of anyone in a business capacity, as a carpenter, a machinist, or a laborer, or to work on the farm, without making some inquiry into the ability and experience of the person to serve them. The prudent person carefully investigates the record and qualifications and ability to serve of the person applying for employment in addition to the statements of the person interested in his own behalf. We should exercise the same care in the selection of our public servants that we use in the selection of those who serve us personally.

Mr. COLLINS. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose, and the Speaker having resumed the chair, Mr. LANHAM, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 11897, the War Department appropriation bill, and had come to no resolution thereon.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate insists upon its amendments to the bill (H. R. 9349) entitled "An act making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1933, and for other purposes," disagreed to by the House, agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. JONES, Mr. HALE, Mr. MOSES, Mr. MCKELLAR, and Mr. BROUSSARD to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendments of the House to the bill (S. 283) entitled "An act to provide for conveyance of a certain strip of land on Fenwick Island, Sussex County, State of Delaware, for roadway purposes."

A TRIBUTE TO MOTHERHOOD

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the subject of Mother's Day.

The SPEAKER. Is there objection?

There was no objection.

Mr. LUDLOW. Mr. Speaker, as we approach the anniversary so sacred to the memory of mother, I am reminded that Indianapolis, the splendid city which I have the honor to represent in Congress, is indissolubly linked with Mother's Day. In the spacious English Opera House of our city in 1904, 28 years ago, a public ceremony was held that impressed upon untold thousands throughout the world the significance of mother love, for on that occasion the first known public plea for a nation-wide observance of Mother's Day was made. The orator on that eventful occasion, who has since become known throughout America as the "Father of Mother's Day," was Frank E. Hering, of South Bend, Ind., teacher, orator, and humanitarian.

On May 10, last year, a wonderful celebration took place in the same opera house in commemoration of Mother's Day and in honor of Mr. Hering, whose eloquent and impassioned plea 27 years before had been heard around the world. The ceremony was under auspices of the Fraternal Order of Eagles, a great humanitarian organization that places the name of "mother" high above all things else to be revered.

The orator of 1904, the "Father of Mother's Day," his hair now tinged with silver, was present and modestly received the honors heaped high upon him. A beautiful bronze tablet, erected on the spot where 27 years before he had uttered his thrilling plea for a nation-wide "Mother's Day," was unveiled with elaborate ceremonies. There was much speaking, and among the participants were 4 distinguished representatives of the American War Mothers—Mrs. W. E. Ochiltree, Mrs. S. C. Gibson, Mrs. E. May Hahn, and Mrs. W. W. Gates, and 17 men and 2 women who attended the 1904 services that marked the birth of "Mother's Day." J. Pierce Cummings, worthy president of Indianapolis Aerie of Eagles, presided, and Otto P. Deluse, of Indianapolis, past grand worthy president, and one of the most beloved members of the order, was master of ceremonies and introduced the speakers.

Boyd Gurley, the brilliant editor of the Indianapolis Times, in a speech profoundly sentimental and eloquent, voiced the spirit of Mother's Day and Dr. John Cavanaugh, former president of Notre Dame University, followed with an address on mother's love that reached the very heights of sublimity, closing with a beautiful tribute to the "Father of Mother's Day," to which Mr. Hering responded with such feeling that for once his tongue found it impossible to speak the language of his heart and his voice choked with emotion.

It was my privilege to be one of the speakers on that impressive occasion.

By unanimous consent of the House, my address, which was entitled "A Tribute to Motherhood," is herewith printed in full, as follows:

There is no language known to men that can describe a mother's love. Of all emotions that influence the human mind it is the sweetest and the best. The bitterness and sorrow that would be the common lot in this vale of tears if it were not for mother love melt into happiness and joyous inspiration in the radiance of its tender flame.

Mother love has no yesterday and no to-morrow, but reigns eternal. There is no limit to its bounds. There is no plummet that can sound its depths. It reaches all the way from earth to heaven. With ineffable tenderness it leads the tottering infant past the dangers and pitfalls of life and guides him through the struggling years of childhood and maturity so that when the miracle we call death ends his earthly journey he is fit to take his place among the stars by the side of his Creator.

ORIGIN CAN'T BE TRACED

No tongue can explain mother love or trace its origin. The least we can say of it is that it is one of the mysteries that spring from God. We know that it is something real because there is no sacrifice too great for it to make.

Think of the widow who bends her aching back over a tub day in and day out to earn a washwoman's pittance that she may keep her children together and feed them and send them to school like other children—oh, there are many such in this land of ours! Does anyone doubt the quality of her mother love? Does anyone know a mother of a deformed child who is not all the more attached to him on account of his deformity? He may be a hunchback, or infantile disease may have rendered him a hopeless and pitiable physical wreck, but to mother he is all there is in the world. Reason may have left him forever, and he may be doomed to wander in mental darkness all his life, but, oh! how she loves him!

FORGIVES EVERY ERROR

Mother heart forgives the error of a wayward child before it is committed. The last thought of a convict who faces the noose or electric chair is of his mother. In his anguish he cries for her; to her he piteously pleads every extenuating circumstance so that she will remember him at his best; his only relief in his desperation is when he is enfolded in her encircling arms. Any trinket he may possess, a ring or watch or lock of hair or other treasured keepsake he leaves to mother. In all such cases mother love is tempered with pity, and what a potent, merciful, wonderful combination it is. Imagine the depths and sanctity of a mother's thoughts when she rocks her baby in his trundle bed and sings her lullabies until the sandman leads him gently into the realm of slumber and then lifts her eyes from his innocent little face toward heaven and prays to the Father of us all:

"Father, lead him not into temptation, but deliver him from evil."

SYMBOL OF DEVOTION

From the time of Eve, who laid her very own on the altar of grief, down through the ages to Mary, who witnessed the unspeakable tragedy of the cross, and on and on, century after century, the word "mother" has always been the symbol of devotion, every age presenting in myriad repetitions and varying forms the solicitudes and sacrifices of mother love. Millions have been touched by the tribute paid by Abraham Lincoln, when that great, tender-hearted man who groped his dark way to a martyr's

grave, paid to his mother the deathless tribute of saying that all that he was or hoped to be he owed to her.

We have met to-day for a very holy purpose. Although no time or century or cycle in the history of the world can claim a monopoly of veneration for mother, it is more than passing strange that not until 27 years ago did anyone in a position to reach the ears and hearts of men and women propose that a day be set aside in the calendar to be known as Mother's Day, when by appropriate observances, both private and public, the nations of the world could show their gratitude for mother love. We who are fortunate enough to be here to-day are thrilled with pride when we realize that this suggestion, so in keeping with the highest ideals of the human race, was first made in this very room by a great humanitarian who honors this occasion with his presence, Mr. Frank E. Hering.

We are here to dedicate a tablet to mark the spot where on February 7, 1904, this silver-tongued orator made a speech that has echoed since around the world. His eloquent plea for the recognition of motherhood which went out from this room has now reached every land in the circle of civilization and has found a responsive echo in hovels and in palaces. Out of it has come Mother's Day, the holiest day save Christ's Birthday on all of our list of special days, a new institution in the intricate web of custom and in uplifting power and sentiment, the apex of them all—a day which is the accompaniment and the precursor of other movements that will rob motherhood of much of its sorrow and leave it only its glory.

It is entirely fit and proper that we should erect this historic tablet. May it stand here forever as a shrine to remind oncoming generations of the place where Mother's Day was born. May it stand here forever as mute testimony of man's gratitude to mother. May its influence radiate into ever-widening circles so that those who behold it and those who hear from the lips of others the story of the origin of Mother's Day will feel themselves drawn close to mother, for that means close to God.

ECONOMIES IN THE FEDERAL GOVERNMENT

Mr. OLIVER of Alabama. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and insert therein an address by my colleague the gentleman from Alabama [Mr. McDUFFIE].

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. OLIVER of Alabama. Mr. Speaker, my distinguished colleague and personal friend the gentleman from Alabama [Mr. McDUFFIE] always speaks interestingly on any subject. Last night he delivered in Washington, by invitation, over the National Broadcasting System, a nation-wide address relating to economies in the Federal Government, which I feel will be very instructive and informing to the general public, and which I ask unanimous consent to insert in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

RADIO ADDRESS OF HON. JOHN M'DUFFIE, OF ALABAMA, MAY 5, 1932

It is not my purpose to discuss this evening the causes of the gravest economic crisis the Nation has ever confronted; nor do I propose to enter into a discussion of any lack of decision which might have been exercised when it was obvious after the dark days of October, 1929, that a terrific reduction in incomes would follow, and the question of balancing the Nation's Budget would become the outstanding national problem. Likewise, I shall refrain from discussing any failure of those charged with the responsibility to see and realize that then was the time for the Government to begin to cut its expenditures rather than let things rock along for two or three years with governmental costs constantly growing, and governmental income constantly diminishing.

I shall not even discuss the manner in which the membership of my own party have rallied to the President and in a nonpartisan way carried through his every worthy suggestion for the country's relief. That was only our plain duty.

The evils of a panic are upon us, and, regardless of the side of the aisle on which we sit, the time has come for the membership of the Congress, acting as a board of directors for the great business of the United States Government, to adjust the finances of the Nation with a view to balancing its books and thereby protecting its credit. Every citizen must know that when the credit of Uncle Sam is imperiled, every individual is affected and no business is secure.

Our country finds itself to-day in the position of a merchant who, under the stimulus of a number of profitable years, hired a lot of additional clerks and obligated himself for a bigger stock of goods only to find that his business boom was over. There is nothing for him to do but to remodel his establishment on a smaller basis and bring his books to a balance if he can.

The Economy Committee of the House of Representatives studied within its limited time the obligations of the Government and the steps necessary to bring the Nation's finances back to where there will be some relationship between income and expenditures. After working eight weeks we presented to the House

a nonpartisan program for economy, which, if carried through, would have saved more than \$200,000,000 to the taxpayers.

OMNIBUS BILL

It is unfortunate that all of the economy program was thrown together in one bill. I protested against this course. However, the President, Secretary Mills, and other administrative officials, together with a few Democrats, urged an omnibus bill containing many controversial matters. I warned them against the very results that followed, suggesting, in view of the many controversial items in the bill, the possibility of a coalition of those opposed to various items which would endanger, if not destroy, the entire program. As the bill finally passed the House of Representatives it was a hollow pretense, a sham, and a farce. Members of the House did not capriciously wreck it, but each voted conscientiously and doubtless responded to what he believed to be the sentiment in his district. This, however, is now water over the wheel.

No Member of Congress finds any satisfaction in raising taxes or increasing the burdens of the American people. But we have reached a period when it must be done, and in order that the burden may be lightened, it is imperative that the cost of Government must be cut ruthlessly, even though it bring temporary hardship to a considerable number of people.

DIFFICULTY IN CURTAILMENT

In the course of the committee's deliberations we have found that it is difficult, if not almost impossible, to curtail the multiplied activities of the Federal Government. Every item we touched appeared to be a sore spot, and every representative of each bureau under consideration protested vigorously against its restriction. In some instances even members of the President's Cabinet protested against bills designed for economy. Our committee set about in a nonpartisan way to consolidate and coordinate within departments, and to eliminate activities which are not now absolutely essential. In the committee's deliberations, we invited the cooperation of the President of the United States and many of his suggestions were included in our program. And yet, in addition to objections of the bureaus themselves, in almost every instance, we were deluged with telegrams from every section of the country urging that this or that bureau be not disturbed. Of course, much of this is chargeable to the high-powered propagandist, the organized minority, and the bureaucrat himself, these three who have always successfully forced legislation for the benefit of classes and groups, and who are gradually destroying the representative form of our Government.

DANGEROUS TENDENCIES

The tendency within recent years to have the powerful hand of Uncle Sam reach out and touch almost every phase of human life is not only a costly but a dangerous one. Such a tendency is lulling into inertia and indifference our local governments and community responsibility and is challenging the perpetuity of our form of government, which we would all preserve for our children's children.

After the Great War the Old World needed our raw materials and finished products at our own price. Our business expanded, industries multiplied, values enhanced, and our people grew wealthy. The humblest citizen of America enjoyed in his everyday life comforts and conveniences which were luxuries in every other nation in the world. Money came easily, it went recklessly, while thrift seemed to have been entirely forgotten. The time has now come for those of us connected with the Government to get our feet on the ground. Of course, many millions of our citizens not only now have their feet literally on the ground but are actually barefooted.

COSTS HAVE MOUNTED

I have no desire to call names nor make charges, but I confess it is appalling to review the extravagance of the past 12 years in the conduct of Federal affairs. It would seem that those who expanded our departments and bureaus to their present swollen proportions conceived there was no bottom to the national purse. Despite continued talk of economy during recent years we have had constant increases in the maintenance cost of every branch of the Government, while bureaus and commissions have multiplied, until there are now approximately 200, which are ever demanding more expansion and more authority.

OVERMANNED AND TOP-HEAVY

Time will not now permit the recital of even a partial list of the items of this spendthrift orgy; yet I might sight, merely as an example, that the number of Federal employees in the District of Columbia has increased from approximately 32,000 in 1915 to 70,000 in 1932. It is a mystery to me why any branch of the Government that was able to function with smaller appropriations at a time of huge prosperity should require so much more or even as much money to administer its affairs in a period of poverty. Congress has been accused of callous indifference to the sufferings of the people because we suggested a reduction in the Federal pay roll, which is now \$1,315,000,000 in round numbers, or approximately one-fourth of the total cost of government. How much is a billion? To give you an idea, it has been, including this hour, only 1,013,446,800 minutes since Jesus Christ was born.

No one will deny that our Government is overmanned and top-heavy, and the taxpayers who pay for all government activities, as well as the salaries of Federal employees, are demanding the elimination of all extravagances despite the protests and almost tearful remonstrances from every department and independent establishment to which it is sought to apply the pruning knife.

Whatever criticism that may apply to Congress in its efforts to reduce Government expenses should apply to those who made these expenses necessary rather than to Congress, on whose doorstep a \$2,000,000,000 deficit has been dumped with a demand that we enact legislation to meet it. It is regrettable the message of the President, which you will read to-morrow, was not sent to Congress with his Budget message when we first convened instead of it at this late hour.

Is our President willing to play politics with a question so vital as economy at a time like this?

While former Congresses and administrations must assume responsibility for the expansion of governmental activities, in fairness it must be said that much of this expansion has come through a demand of the people themselves. Therefore, the question now arises, Are the people of the United States willing to deny themselves at least some of the many benefits now extended to them by the Federal Government? These benefits must be denied or the people must continue to furnish the money with which to pay for them. We can not have our pie and eat it, too.

REDUCTION IN SALARIES

One of the methods proposed by the Economy Committee to reduce expenditures was to make a small cut in Federal salaries. On our total Federal pay roll of \$1,315,000,000 a 10 per cent reduction for the next fiscal year would mean a saving of \$131,500,000. The cost of living has been reduced far more than 10 per cent in the last year. With due deference to our Federal employees, who are patriotic, it would seem that any man or woman who is fortunate enough to be on the pay roll of the Government should be willing to make some small sacrifice in this hour of the Nation's financial distress.

The Federal employee in Washington, under present statutes, gets paid for 365 days in the year while he may work only 221, counting his annual leave with pay, his sick leave, Sundays, legal and half holidays. In some field services outside of Washington the leave is less, but, taken as a whole, Federal employees as a class are the most favored workers in the United States. After all, fellow citizens, who is the Government? It is all the people, and all of us, in the last analysis, pay the bills, regardless of where or to whom the taxes are applied.

Industries, business, State, counties, municipalities, schools, and even the churches have been compelled to cut the salaries of their employees, while 2,000,000 railway employees have already accepted a 10 per cent wage reduction. Then why should not we, the employees of the Federal Government, assume our proportionate share of the burdens of government in the hour of its need?

A PATRIOTIC DUTY

Effecting economies in government is not a partisan task. It is a patriotic duty. Without regard to party lines, without any effort to claim partisan credit or evade responsibility, this tremendous problem challenges our best thought and rests not only on every Member of Congress but upon the entire citizenship of the United States. I thank you.

THE MORATORIUM

Mr. WILLIAMS of Missouri. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a radio address by my colleague, Mr. ROMJUE.

The SPEAKER. Is there objection?

There was no objection.

Mr. WILLIAMS of Missouri. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address delivered over the radio by my colleague from Missouri [Mr. ROMJUE] on April 26, 1932, together with the introductory remarks:

INTRODUCTION BY THE ANNOUNCER OF RADIO STATION WJSV

To-night I am to have the pleasure of presenting to you one of our typical American citizens whose ancestry dates back in this country to the days of the Revolution, when those from whom he is directly descended helped to win our independence. In times like these we turn with special interest to the opinions of the old original stock that formed the foundation of our country.

Mr. ROMJUE has spent a great deal of time in the study of foreign affairs. He has promised to answer some of the questions that are arising in the minds of most of us as June 30 approaches. I refer, of course, to questions concerning the moratorium on foreign debts to the United States that must soon either terminate or be continued.

Ladies and gentlemen, I have the honor of presenting the Hon. M. A. ROMJUE, of Missouri.

RADIO ADDRESS OF HON. MILTON A. ROMJUE, OF MISSOURI

Mr. ROMJUE, Ladies and gentlemen of the radio audience, it gives me pleasure to attempt to answer the questions which are to be propounded to me this evening, and I shall endeavor to answer them to the best of my ability.

Question. Mr. ROMJUE, to refresh our memories, will you describe briefly what is meant by the moratorium?

Answer. At the end of the World War there was an adjustment on paper of the terms and conditions that formed the basis of settlement of obligations and liabilities existing between the nations directly involved in the war. Since that agreement to pay the indebtedness and meet the obligations in a manner stipulated,

the professed attitude of the Allies has been that they are willing to pay the war debts to the United States, provided Germany would pay the reparations due the Allies. The general attitude of our own country has been that the war debts due us have no official connection with the reparations due by Germany to the Allies, that they have been contracted independent by the various countries, and that if the Allies do not pay, this burden will have to be shouldered by the American taxpayers. While legally no connection exists between the reparations and allied war debts, the two problems have in recent years been handled as one. The declaration of the moratorium by President Hoover was an indication of the connection between the reparation and war debts. The moratorium granted to the foreign governments by President Hoover for a year will expire about the last of June this year. The moratorium amounted to a postponement of the payments by the foreign governments to this country of the indebtedness due us, which they had promised to pay in installments.

Question. Do you consider that the moratorium on foreign debts has had any effect on the financial conditions of our country?

Answer. Yes; the effect has been quite the opposite to what it was represented it would be by those who favored it. It has been almost a year since the moratorium was granted, and instead of conditions improving, just the reverse has happened. England to-day has a surplus in her treasury and our country has a deficit of about \$2,000,000,000. England is paying to private parties the debts she owes them, but as to our country we wait for her to pay us, meantime we tax our own people to meet our deficiency. It is a bit strange that a nation with an empty treasury should postpone payment of a debt to it by a nation which has a surplus in its treasury. France has so well managed her business affairs and given the farmers of her country the same consideration that industry has received, and her credit and stability is as good as can be found in the world; her bonds are selling at a greater premium than our own in the markets of the world, yet we granted a moratorium to France.

Question: If the moratorium were to be continued after the expiration of the year for which it was granted, what would be the effect upon the United States?

Answer. If such happened it would lead our country just that much nearer to the ultimate cancellation of debts which the foreign countries owe us. They should not be canceled, but that's the road laid out for the people to travel, even though the bitterness of a business depression is used in persuasion.

Question. If the moratorium were discontinued, is it true that we should lose more than we gain through the loss of good will?

Answer. Nations are like individuals; if you have to give them something to have their good will, you are never sure of their good will even after you have given them something; and the more you give them, unless you indefinitely continue the policy of giving, the more sure you are to have their ill will in the last analysis.

At the close of the World War Germany was obligated to pay according to the treaty made at the time. Since that time the Dawes Commission made a readjustment of the indebtedness which not only this country but Germany felt sure, so far as expressions went, that the revised amount could be paid. And again the question was raised as to Germany's inability to pay and another readjustment was had under what is known as the Young plan. It was the judgment of our country and Germany and other nations involved, that the indebtedness could be paid. Then again in due time incapacity to pay was asserted; then the granting of the moratorium, and it will continue to be inability to pay, inability to pay, inability to pay, for the purpose of getting Uncle Sam to cancel the indebtedness.

Question. Do you consider there has been any flight of capital from this country?

Answer. Yes; American capital or money in considerable quantities has been invested in foreign industry and foreign securities. The fact is that there is more American money invested in foreign territory and their foreign securities and enterprises than the entire indebtedness amounted to on the part of our own Government at the end of the World War. The investments are sufficient in amount to have entirely liquidated all the indebtedness of our own Government existing at the end of the world conflict, and enough would be left over were it in the United States Treasury to constitute a handsome surplus.

Question. What significance has this flight of capital and what are some of the causes?

Answer. It signifies that American money has been going into foreign fields and leaving the home markets, business, and industry, the owners of American capital evidently believing that a better return might be had on their investment. They have not taken into consideration that their capital was created and their vast wealth accumulated and their business developed and protected in our own country. The greater reason, however, that American capital has gone abroad in the last two or three years is due to the fact that much of our trade and our own home or domestic market have been seriously impaired, and in fact well-nigh destroyed in some particulars. And especially is this true as to the value and selling price of farm products and labor, and this policy has brought a large amount of unemployment.

Question. Do you think the present tariff law has any bearing on our trade and unemployment?

Answer. In my opinion the extraordinarily high tariff law that was passed in this country in 1929 caused many other leading nations of the world to retaliate against us, and since by our high tariff law we have prohibited them from selling or exchanging

goods or commodities with us they have raised their tariff so high that we can not sell and ship to them the products of our own farms and factories, for the reason that we are unable to pay the high tariff set up against us. Thus the country's trade has been largely destroyed and broken down, leaving in our own country many people unemployed and hungry while our granaries and stores are filled with a surplus.

This high-tariff situation has resulted in one of the greatest automobile manufacturers going to other countries increasing its output of tractors, automobiles, and automobile accessories. Paying American capital to foreign labor in foreign fields while our own American men in many instances are unemployed. For the same reason has an aluminum factory been established in Canada on American capital, operating there and paying wages to Canadian labor for work that could and should be done in our own country by American workmen. Examples of this kind could be multiplied by the score. But what is the use of multiplying them, we have reached that period when people must suffer much before they think. We are living in the tongue age it seems, and it has been notably said, "Men have lost their reason."

Question. Mr. ROMJUE, as your time is short and you will not have time to go into detail, would you mind to state briefly what you think should be done to better our country's present condition?

Answer. The President of the United States should call a conference of representatives of the various leading nations of the world to work out a paring down of present high tariffs existing between countries, and such legislative enactments should then be recommended as to put the judgment of that conference into operation. If such were done, trade would be revived, commerce would begin to move, transportation would be enlivened, men would begin to obtain employment, Germany and other nations could exchange their commodities and sell them in the markets, and likewise our own country would be getting rid of its surplus farm and factory products. Credit would soon begin to expand, and nations that owe us could begin again to pay their obligation, and the Government would not have to be burdening the people with more taxes. Business would soon be restored to its past activity, and our country would be getting out of debt instead of in.

The hour demands another Jackson, the only President that ever got our country entirely out of debt; a Jackson of courage, a Jackson from the ranks, a fearless Jackson, one who could swear a bit if nothing else would sufficiently emphasize what had to and must be done.

We have lost our foreign markets and they must be regained. There has been a reduction in our factory output and the demand for the production of the farm has declined, since men have been unemployed; and as I said before, our factories and capital are moving to other countries to get beyond our Chinese tariff wall. Last week the representative of a British chamber of commerce came to this country to pick up American factories for England, and offering desirable sites. Think of it, my friends! American money to be used in employing British labor to reduce the unemployment in England and to help the English farmers and merchants by increasing the purchasing power of English workmen, while our own workmen remain idle.

MUSCLE SHOALS AND MEN OF MARK

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record.

The SPEAKER. Is there objection?

There was no objection.

Mr. McSWAIN. Mr. Speaker, taking a retrospective view of the long years of struggle to bring about legislation on Muscle Shoals, I am forcibly reminded of several men whose work upon the Committee on Military Affairs in connection with Muscle Shoals legislation has been outstanding.

I stand with bared head and reverent heart in memory of Julius Kahn, distinguished as chairman and as legislator; of Percy E. Quin, beloved and loyal Representative and chairman of this committee; and Harry W. Wurzbach, faithful Member and prudent legislator. These good and true men have gone to their reward, but all that we hope may come in the way of blessing and betterment to at least a large part of our country through the ultimate operation of Muscle Shoals will be, in part at least, a monument to their memory.

Let me also bear testimony to the fidelity and industry of FRANK JAMES, of Michigan, in his work for Muscle Shoals. This patriot, this public servant, this friend, has through all the years since the Muscle Shoals project was inaugurated held firmly to his faith in its useful future. When others became discouraged, Mr. JAMES continued to work and to plan. When others felt disposed to give up the fight against special and selfish predatory interests, it was FRANK JAMES who rallied unselfish and patriotic men around him to continue the struggle to lease the plant for private operation upon terms that would protect the present and future gen-

erations of this Nation. FRANK JAMES mastered every detail of the intricate subject. He seems to know almost by memory tens of thousands of pages of printed hearings. Facts long since forgotten by others stand out clear in the memory of FRANK JAMES.

We believe that the bill yesterday passed by the House of Representatives, if enacted into law without serious modification, will begin the development of a great fertilizer and chemical industry at and near Muscle Shoals. By reason of the ultimate construction of Cove Creek, many other power developments will be made along the Tennessee River, and in less than 50 years that valley, so rich in mineral resources and in power possibilities, will prove to be one of the richest sections of the world.

With unrivaled climate, with the purest of water, with productive soil, and with a population of pure Anglo-Saxon strain to draw upon from the surrounding country, the Tennessee Valley holds a promise for greatness that will rival, if not surpass, any other industrial section of the world. When this comes to pass the name of FRANK JAMES should be writ large upon and last long in the hearts of a grateful people.

In this connection the work of our beloved friend and colleague, DANIEL E. GARRETT, of Texas, deserves not mere mention but highest commendation. With profound legal attainments, with unusual common sense, with unselfish devotion to national defense and the cause of agriculture, Mr. GARRETT through all the years of his membership on the Committee on Military Affairs gave his best in seeking to work out some sound and sane solution of this long-standing Muscle Shoals problem. It was highly fitting that the Speaker should call DANIEL E. GARRETT to preside as Chairman of the Committee of the Whole House on the state of the Union in the consideration of this Muscle Shoals bill, and the dignity, ability, and alertness with which he presided reflected additional credit upon his career in Congress.

Mr. Speaker, I dare not conclude this retrospect without recording my sincere appreciation of the splendid services rendered by the Hon. LISTER HILL, of Alabama. Though relatively young in years, all of his service as a Member of Congress for about 10 years has been upon the Committee on Military Affairs, and during that time first and foremost in his affection and effort has been Muscle Shoals. I testify that through all these years he has consistently stood by the high principles of national defense and the genuine relief of agriculture through the production of concentrated fertilizers at the lowest possible prices.

LISTER HILL has labored with us faithfully and enthusiastically to preserve Muscle Shoals as a great heritage of the people, as a great God-given natural resource, and to prevent it from falling into the hands of selfish and designing interests. When the present Congress convened and the Democratic Party took control of the machinery of the House of Representatives, and when untimely death robbed us of the leadership and inspiration of beloved Percy Quin, I, as his successor, appointed LISTER HILL chairman of a subcommittee of seven, consisting of four Democrats and three Republicans, to prepare, under general instructions, a bill to provide for the disposition of Muscle Shoals. The committee had already held hearings continuing through a month or more, and the subcommittee was in almost continuous session for four or five weeks.

Though I did not attend the sessions of the subcommittee and was in its presence only twice—for a few minutes each time—yet I kept closely in touch with the work going on in that subcommittee. I, therefore, know of the great tact and the splendid leadership manifested by Mr. HILL in that difficult and trying position. Naturally, there were many conflicting views as to what ought to be done and as to how it ought to be done. It was a difficult and tedious task to reconcile these views. Many times whole days would be consumed in trying to settle one single proposition. Then it would take other days to find language appropriate to express the principle already agreed upon. During these weary weeks of hard work, LISTER HILL preserved amiable patience, and displayed a spirit of conciliation that marks

him as a man of great usefulness. The debate upon the floor of the House demonstrated to all Members that LISTER HILL knows the facts concerning Muscle Shoals, the "ins and outs" of its history, the forces and influences that have heretofore prevented action, and the bill that bears his name blazes the way for the settlement of a question that the people of all sections and all parties and well-nigh all interests now demand shall be disposed of and the decks cleared for development and industrial progress, not only at Muscle Shoals but up and down the whole Tennessee Valley.

ORDER OF BUSINESS

Mr. SNELL. Mr. Speaker, I would like to ask the gentleman from Mississippi about the program to-morrow.

Mr. COLLINS. It is our thought to let the general debate run through to-morrow.

Mr. SNELL. Is the gentleman going to explain the bill or just have politics the same as we had to-day? A great many Members would like to know, because they would like to do something else if that is the program.

Mr. COLLINS. It is our thought to let general debate run through to-morrow.

Mr. SNELL. The gentleman does not expect to explain the bill himself to-morrow?

Mr. COLLINS. No.

The SPEAKER. Is there any disposition to close debate at any particular time?

Mr. SNELL. There does not seem to be.

Mr. COLLINS. Mr. Speaker, I ask unanimous consent that general debate may continue throughout to-morrow, and on Tuesday the gentleman from California [Mr. BARBOUR] may be permitted to speak on the bill, and I be permitted to explain the bill to the House.

Mr. SNELL. How long are those two speeches to be? Will they take an hour apiece?

Mr. COLLINS. It will take longer than an hour for me to explain the bill.

Mr. SNELL. Why does not the gentleman use to-morrow instead of wasting the whole day?

The SPEAKER. The gentleman from Mississippi does not make a definite request. Will it occupy more than three hours?

Mr. COLLINS. Well, Mr. Speaker, I will ask unanimous consent for three hours on Tuesday.

Mr. LUCE. Mr. Speaker, may I ask when the new rule relating to private bills will go into effect?

The SPEAKER. That is a question of recognition.

Mr. COLLINS. I will say, Mr. Speaker, that we have many requests for time, and if granted it will take longer than the working hours of to-morrow.

Mr. LaGUARDIA. Reserving the right to object, I have asked for some time, and the gentleman from California has graciously given it to me. I shall not take that time, however, if, as my colleague from New York says, we are wasting time. The President of the United States has made a statement to the country. It seems to me that Members of the House who have taken an active part in legislation at which the President slurs ought to have an opportunity of replying by giving facts and figures without being referred to as wasting the time of the House, and I resent that insinuation by the gentleman from New York [Mr. SNELL]. And I might say in passing that perhaps if the gentleman from New York had informed the President of the real conditions in this House, the President would perhaps have known that there was no need or justification for that message.

Mr. SNELL. I thank the gentleman.

The SPEAKER. The gentleman from Mississippi asks unanimous consent that general debate on the Army appropriation bill continue through to-morrow and for three hours on Tuesday, to be equally divided between himself and the gentleman from California. Is there objection?

Mr. GOSS. Mr. Speaker, reserving the right to object, are the gentleman from Mississippi [Mr. COLLINS] and the gentleman from California [Mr. BARBOUR] to be the only two gentlemen who will speak on the merits of the legislation?

The SPEAKER. Gentlemen getting the floor in general debate control their own remarks. Is there objection? There was no objection.

ADJOURNMENT

Mr. COLLINS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 5 o'clock and 28 minutes p. m.) the House adjourned until to-morrow, Saturday, May 7, 1932, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

552. Under clause 2 of Rule XXIV, a letter from the Secretary of War transmitting a report dated May 4, 1932, from the Chief of Engineers, United States Army, on preliminary examination and survey of old channel of the River Rouge, Mich., was taken from the Speaker's table and referred to the Committee on Rivers and Harbors.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. PALMISANO: Committee on the District of Columbia. H. R. 8627. A bill to amend an act of Congress approved June 18, 1898, entitled "An act to regulate plumbing and gas fitting in the District of Columbia"; with amendment (Rept. No. 1217). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROGERS: Committee on Military Affairs. H. R. 11174. A bill to restore to their former retired status in the Regular Army of the United States persons who resigned such status to accept the benefits of the act of May 24, 1928 (45 Stat. 735), and for other purposes; without amendment (Rept. No. 1225). Referred to the Committee of the Whole House.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. ROGERS: Committee on Military Affairs. H. R. 1579. A bill for the relief of Orville E. Clark; without amendment (Rept. No. 1218). Referred to the Committee of the Whole House.

Mr. PARKER of Georgia: Committee on Military Affairs. H. R. 1617. A bill for the relief of John S. Abbott; with amendment (Rept. No. 1219). Referred to the Committee of the Whole House.

Mr. ROGERS: Committee on Military Affairs. H. R. 2246. A bill for the relief of John G. Dwyer; without amendment (Rept. No. 1220). Referred to the Committee of the Whole House.

Mr. PARKER of Georgia: Committee on Military Affairs. H. R. 2803. A bill for the relief of John S. Stotts, deceased; with amendment (Rept. No. 1221). Referred to the Committee of the Whole House.

Mr. MONTET: Committee on Military Affairs. H. R. 3459. A bill for the relief of Leonard Theodore Boice; without amendment (Rept. No. 1222). Referred to the Committee of the Whole House.

Mr. MONTET: Committee on Military Affairs. H. R. 4395. A bill for the relief of Harry C. Anderson; with amendment (Rept. No. 1223). Referred to the Committee of the Whole House.

Mr. FITZPATRICK: Committee on Military Affairs. H. R. 10070. A bill for the relief of Beryl M. McHam; without amendment (Rept. No. 1224). Referred to the Committee of the Whole House.

Mr. PARKER of Georgia: Committee on Military Affairs. H. J. Res. 223. A joint resolution granting permission to Lieut. Col. Dan I. Sultan, Corps of Engineers, United States Army, to accept decorations and medals bestowed upon him by the Government of the Republic of Nicaragua; without amendment (Rept. No. 1226). Referred to the Committee of the Whole House.

Mr. PARKER of Georgia: Committee on Military Affairs. H. J. Res. 224. A joint resolution granting permission to First Lieut. Leslie R. Groves, jr., Corps of Engineers, United

States Army, to accept certain medals bestowed upon him by the Government of the Republic of Nicaragua; without amendment (Rept. No. 1227). Referred to the Committee of the Whole House.

Mr. PARKER of Georgia: Committee on Military Affairs. H. J. Res. 225. A joint resolution granting permission to Paul R. Hawley, major, Medical Corps, United States Army, to accept certain medals bestowed upon him by the Government of the Republic of Nicaragua; without amendment (Rept. No. 1228). Referred to the Committee of the Whole House.

Mr. THOMASON: Committee on Military Affairs. S. 4235. An act to aid the Grand Army of the Republic in its Memorial Day services, May 30, 1932; without amendment (Rept. No. 1229). Referred to the Committee of the Whole House.

Mr. MONTET: Committee on Military Affairs. H. R. 817. A bill for the relief of Irving Lindsay Leafe; with amendment (Rept. No. 1230). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 919. A bill for the relief of Charles J. Eisenhauer; with amendment (Rept. No. 1231). Referred to the Committee of the Whole House.

Mr. BLACK: Committee on Claims. H. R. 10101. A bill for the relief of Don C. Fees; without amendment (Rept. No. 1232). Referred to the Committee of the Whole House.

Mr. THOMASON: Committee on Military Affairs. S. 1975. An act to amend an act entitled "An act to recognize the high public service rendered by Maj. Walter Reed and those associated with him in the discovery of the cause and means of transmission of yellow fever," approved February 28, 1929, as amended, by including Roger P. Ames among those honored by said act; without amendment (Rept. No. 1233). Referred to the Committee of the Whole House.

Mr. PARKER of Georgia: Committee on Military Affairs. H. R. 4109. A bill for the relief of Abram L. Gerson (Abe A. Gerson); with amendment (Rept. No. 1234). Referred to the Committee of the Whole House.

Mr. ENGLEBRIGHT: Committee on the Public Lands. H. R. 637. A bill to relinquish the title of the United States to certain lands in the county of Los Angeles, State of California; without amendment (Rept. No. 1235). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HOWARD: A bill (H. R. 11922) to authorize the Secretary of the Interior to make payment of part of the expense incurred in securing improvements in drainage project of drainage district No. 1, Richardson County, Nebr., and for other purposes; to the Committee on Indian Affairs.

By Mr. KNUTSON: A bill (H. R. 11923) to cancel all interest charges upon loans made upon adjusted-service certificates and for other purposes; to the Committee on Ways and Means.

My Mr. DIES: A bill (H. R. 11924) to provide for the exclusion and expulsion of alien communists; to the Committee on Immigration and Naturalization.

By Mr. GARBER: A bill (H. R. 11925) conferring jurisdiction on the Court of Claims to adjudicate the rights of the Otoe and Missouri Tribes of Indians to compensation on a basis of guardian and ward; to the Committee on Indian Affairs.

By Mr. LEWIS: A bill (H. R. 11926) to provide for co-operation by the Federal Government with the several States in assisting persons, including veterans of the World War, who are suffering from hardship caused by unemployment, and for other purposes; to the Committee on Ways and Means.

By Mr. KURTZ: A bill (H. R. 11927) to authorize the erection of a United States Veterans' Administration hospital in the county of Blair, Centre, Clearfield, or Cambria, State of Pennsylvania; to the Committee on World War Veterans' Legislation.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. COLE of Maryland: A bill (H. R. 11928) for the relief of Carl F. Meinecke; to the Committee on Military Affairs.

By Mr. GREENWOOD: A bill (H. R. 11929) granting a pension to Anna Fletcher; to the Committee on Invalid Pensions.

By Mr. HADLEY: A bill (H. R. 11930) to provide a preliminary examination of the Green River, Wash., with a view to the control of its floods; to the Committee on Flood Control.

By Mr. HANCOCK of New York: A bill (H. R. 11931) granting an increase of pension to Bridget Haley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11932) granting an increase of pension to Jennie V. Myers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11933) granting an increase of pension to Catherine B. McCarthy; to the Committee on Invalid Pensions.

By Mr. LINTHICUM: A bill (H. R. 11934) granting a pension to Lydia E. Boehmer; to the Committee on Pensions.

By Mr. MAY: A bill (H. R. 11935) granting a pension to William Patrick; to the Committee on Pensions.

By Mr. NORTON: A bill (H. R. 11936) granting a pension to Benjamin C. Reeve; to the Committee on Pensions.

By Mr. PARSONS: A bill (H. R. 11937) granting an increase of pension to Nancy Fopay; to the Committee on Invalid Pensions.

By Mr. PRALL: A bill (H. R. 11938) providing for an examination and survey of New York and New Jersey Channels, N. Y. and N. J.; to the Committee on Rivers and Harbors.

By Mr. Reid of Illinois: A bill (H. R. 11939) to renew and extend certain letters patent to Charles Douglas Caughron; to the Committee on Patents.

By Mr. TAYLOR of Tennessee: A bill (H. R. 11940) granting a pension to James G. Elza; to the Committee on Pensions.

By Mr. THOMASON: A bill (H. R. 11941) for the relief of A. C. Francis; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7565. By Mr. CHRISTGAU: Resolution adopted by the Albert Lea Chapter of Future Farmers of America, Albert Lea, Minn., urging the continuance of the Federal appropriation for maintaining the program of vocational education in the United States; to the Committee on Appropriations.

7566. Also, resolution adopted by the Caledonia Post, No. 1757, Veterans of Foreign Wars of the United States, Caledonia, Minn., urging that favorable action be taken on the measure providing for the immediate cash payment of the adjusted-compensation certificates; to the Committee on Ways and Means.

7567. Also, petition adopted by the members of the Wabasha Post, No. 50, American Legion, Wabasha, Minn., urging that favorable action be taken on the measure providing for the immediate cash payment of the adjusted-compensation certificates; to the Committee on Ways and Means.

7568. Also, resolution adopted by members of the Wells Peterson Post, No. 384, of American Legion, Dodge Center, Minn., at a meeting held on February 18, 1932, urging that favorable action be taken on the measure providing for the immediate cash payment of the adjusted-compensation certificates; to the Committee on Ways and Means.

7569. Also, petition signed by members of the Wells-Peterson Post, No. 384, Dodge Center, Minn., urging that favorable action be taken on the measure providing for the immediate cash payment of the adjusted-compensation certificates; to the Committee on Ways and Means.

7570. Also, resolution adopted by the Hugh Watson Post, No. 190, American Legion, St. Charles, Minn., at its regular meeting on March 30, 1932, urging that favorable action be taken on the measure providing for the immediate cash payment of the adjusted-compensation certificates; to the Committee on Ways and Means.

7571. Also, resolution adopted by the Leon J. Weitzel Post, No. 9, Department of Minnesota, American Legion, Winona, Minn., urging that favorable action be taken on the measure providing for the immediate cash payment of the adjusted-compensation certificates; to the Committee on Ways and Means.

7572. Also, petition signed by various members of the Langemo Post, No. 295, American Legion, West Concord, Minn., urging that favorable action be taken on the measure providing for the immediate cash payment of the adjusted-compensation certificates; to the Committee on Ways and Means.

7573. Also, petition signed by various members of the American Legion Post, No. 90, Lewiston, Minn., urging that favorable action be taken on the measure providing for the immediate cash payment of the adjusted-compensation certificates; to the Committee on Ways and Means.

7574. Also, resolution adopted by members of the Arnt Dyrdaahl Post, No. 249, American Legion, Spring Grove, Minn., urging that favorable action be taken on the proposal providing for the immediate payment in full of the adjusted-compensation certificates; to the Committee on Ways and Means.

7575. Also, petition signed by various members of the Arnet Sheldon Post, No. 423, American Legion, Department of Minnesota, Houston, Minn., urging that favorable action be taken on the measure providing for the immediate cash payment of the adjusted-compensation certificates; to the Committee on Ways and Means.

7576. By Mr. CULLEN: Petition of the Joshua Earl Sipes Post, No. 505, American Legion, Curwensville, Pa., urging the Congress to favor the immediate passage of the cash payment of the adjusted-compensation certificates; to the Committee on Ways and Means.

7577. By Mr. ENGLEBRIGHT: Petition of Hon. George J. Hatfield, secretary-general Republican Service League of California, opposing Senate bill 3769; to the Committee on Military Affairs.

7578. By Mr. JAMES: Telegram from James A. Byrne, commander Upper Peninsula Association of American Legion Posts of Sault Ste. Marie, Mich., opposing contemplated elimination of 2,000 Army officers, Reserve Officers' Training Corps, and citizens' military training camps from Army appropriation bill now before the House; to the Committee on Appropriations.

7579. Also, telegram from Mrs. Irving Field, legislative chairman American Legion Auxiliary, Department of Michigan, Crystal Falls, Mich., protesting curtailment of funds for elimination of citizens' military training camps and Reserve Officers' Training Corps; to the Committee on Appropriations.

7580. By Mr. LINDSAY: Petition of Ryder & Brown Co., Boston, Mass., referring to wool and mohair; to the Committee on Ways and Means.

7581. Also, petition of Joshua Earl Sipes Post, No. 505, Curwensville, Pa., favoring the cash payments of the adjusted-service certificates; to the Committee on Ways and Means.

7582. Also, petition of the American Bankers Association, New York City, favoring certain amendments to the Glass bill, S. 4412; to the Committee on Banking and Currency.

7583. Also, petition of the National Economy Committee, New York City, favoring drastic reductions in appropriations for non-service-connected disabilities; to the Committee on Appropriations.

7584. By Mr. McCORMACK: Petition of Yankee Division Post, No. 290, the American Legion, 200 Huntington Avenue, Boston, Mass., H. Guy Watts, adjutant, unanimously recommending enactment of legislation for the immediate payment of the remainder of the adjusted-compensation certificates; to the Committee on Ways and Means.

7585. By Mr. NIEDRINGHAUS: Petition of 36 citizens of St. Louis, urging immediate cash payment of adjusted-service certificates; to the Committee on Ways and Means.

7586. By Mr. RUDD: Petition of the National Economy Committee, favoring immediate drastic reduction of appropriations for veterans with non-service-connected disabilities; to the Committee on Appropriations.

7587. Also, petition of Joshua Earl Sipes Post, No. 505, Curwensville, Pa., favoring the immediate cash payment of the adjusted-compensation certificates; to the Committee on Ways and Means.

7588. Also, petition of Chamber of Commerce of the Borough of Queens, city of New York, opposing the payment of the so-called soldiers' bonus; to the Committee on the Judiciary.

7589. Also, petition of National Wholesale Food Distributors' Association, New York City, opposing House bills 8874, 8875, and 10674; to the Committee on Merchant Marine, Radio, and Fisheries.

7590. Also, petition of Raisler Heating Co., New York City, favoring the passage of House bill 9975 and Senate bill 4342; to the Committee on Public Buildings and Grounds.

7591. Also, petition of the American Bankers' Association, New York City, approving certain amendments to the Glass bill, S. 4412; to the Committee on Banking and Currency.

7592. Also, petition of R. E. Earnest, president Association Army Employees, Governors Island, N. Y., opposing the elimination of the citizens' military training camps; to the Committee on Appropriations.

7593. Also, petition of Ryder & Brown Co., Boston, Mass., referring to wool and mohair; to the Committee on Ways and Means.

HOUSE OF REPRESENTATIVES

SATURDAY, MAY 7, 1932

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

We pray Thee, our Father in Heaven, that we may always abound in understanding, in wisdom, and in achievements for the stability of the Republic. It is thus that the fruits of the industries of life are wrought out which abide in success and satisfaction. For these we lift our heart and voice to Thee, O God. Direct all the labors contemplated by this Congress. Vouchsafe Thy special presence in the deliberations of all committees. Withhold not Thy counsel, O God. In Thee we live and move and have our being, and from Thee let the inspiration flow. Keep us steadfast, unmovable, always abounding in the work of the Lord. Through patience may we endure and enter into that fellowship which is beyond all other blessings, even as the flower transcends the leaf. In the name of our Savior. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 51. An act to authorize the building up of the United States Navy to the strength permitted by the Washington and London naval treaties.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 283. An act to provide for conveyance of a certain strip of land on Fenwick Island, Sussex County, State of Delaware, for roadway purposes.

CONSTRUING SECTION 503 (B), TARIFF ACT 1930

Mr. CRISP. Mr. Speaker, I ask unanimous consent for the present consideration of an emergency United States Government resolution (H. J. Res. 336) construing section 503 (d) of the tariff act of 1930. This joint resolution has